

# DAILY REPORT

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*China*

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REPORT ON REACTIONS TO CHINA'S ADMISSION TO IPU

HK090945 Beijing GUANGMING RIBAO in Chinese 1 Apr 84 p 4

[Report by Li Zhaodong: "'The Chinese Parliamentarians Delegation, Expected for 3 Decades, Has Finally Arrived'"]

[Text] Geneva, 31 Mar -- The 4th Session of the 6th NPC Standing Committee has adopted regulations for attendance by NPC representatives to the Interparliamentary Union and decided to send a delegation headed by its Vice Chairman Geng Biao to the 21st Council of the IPU, which is scheduled to be held in Geneva from 2 to 7 April. Public opinion here pointed out: This "is an amazing event."

The IPU, established 95 years ago, is an important organization for discussing world affairs. At a press conference held in the "Palace of Nations," Geneva, on 30 March, its secretary general, Pio-Carlo Terenzio, said: The participation of China's large and high-ranking NPC delegation in the 21st Council of the IPU is a honor to the organization and will play an important role for the success of the council. In an interview with this reporter after the press conference, he said: "The Chinese parliamentarians delegation, which we expected for 30 years, has finally come. China's absence caused great losses to the union. China is one of the five members of the UN Security Council. China's participation in the IPU will increase the popularity of the organization and enhance the efficiency of its activities. This shows that China wishes to expand and strengthen its cooperation with other countries and to enhance interparliamentarian contacts and understanding. In world affairs, China's position and attitude are of considerable importance. I believe that China will surely play a great and active role in the conference and the future activities of the IPU." Meanwhile, in an interview with this reporter, George Henry Martin, press adviser of the IPU said that China's action showed a dual signal to people: Internally, this demonstrates that the role of China's parliament is increasing and a situation of stability and unity has appeared; externally, this demonstrates that China has rid itself of its past policy of isolation, is steadfast in implementing the policy of opening to the outside world, faces the world, and is increasing its contacts with other countries in order to benefit the four modernizations at home.

PRC DELEGATION PROMOTES FRIENDSHIP AT IPU CONGRESS

OW100625 Beijing XINHUA Domestic Service in Chinese 1317 GMT 9 Apr 84

[Report by XINHUA reporters Ren Zhengde and Yang Yuanhua]

[Excerpt] Geneva, 9 Apr (XINHUA) -- As flowers bloom in early April, spring is very much in the air in Geneva. The Chinese NPC delegation to the congress of the Inter-Parliamentary Union [IPU] in Geneva met with friends from all over the world and discussed important international issues with them, promoting friendship and cooperation.

As soon as the news was released that the Chinese NPC delegation, led by Vice Chairman Geng Biao of the Chinese NPC Standing Committee, was to attend the IPU congress, it was the center of attention and warm praise in international circles in Geneva and Swiss public opinion. Before the arrival of the delegation, IPU Secretary General Terenzio told reporters: "This is an exciting event with international significance." Local newspapers pointed out that China's "advent to the international parliamentary forum is a manifestation of political stability in that country and the continuity of its policy of opening to the outside world" and that it will "greatly contribute to the cause of peace in the world."

During the congress, the NPC delegation had extensive contacts and conversations with parliamentary friends from various countries, promoting mutual understanding, friendship and cooperation. They frequently met in the corridors where group after group of foreign parliamentary friends chatted with the delegation head, Geng Biao, and deputy head, Zeng Tao.

In the course of conversations, Geng Biao specifically explained China's independent foreign policy and its consistent stand on opposing hegemony and safeguarding universal peace.

The Chinese NPC delegation came to Geneva with the intention of "promoting friendly co-operation and seeking friendship." Through extensive contacts during and after the congress, the delegation members have made many friends and deepened old friendships, sowing seeds of friendship, unity and cooperation and striving to promote the cause of universal peace.

#### PRC REPRESENTATIVE ADDRESSES UN ON NICARAGUA

OWO30950 Beijing XINHUA in English 0743 GMT 3 Apr 84

[Excerpt] United Nations, April 2 (XINHUA) -- Liang Yufan, Chinese deputy permanent representative to the United Nations, demanded an end to all outside interference in Central America at a Security Council meeting this afternoon. The meeting was held at Nicaragua's request to continue the consideration of a complaint by Nicaragua against the United States for its escalation of acts of aggression against Nicaragua.

Liang Yufan said: "The Chinese delegation maintains that, in order to remove the tension in Central America, it is of vital importance to put an end to all interference and threat from outside and urge the superpowers to refrain from taking Central America as an arena for their rivalry, from displaying their military might or resorting to intimidation for that purpose." The independence and sovereignty of Nicaragua and of other Central American countries, he continued, should be respected and the affairs of various countries of the region should be left to the peoples themselves.

Liang Yufan reaffirmed China's support to the Contadora Group -- made up of the Mexico, Panama, Venezuela and Colombia -- in its continued effort to achieve a peaceful and reasonable solution for the Central American problem.

#### XINHUA ON NATO'S 35TH BIRTHDAY, COHESION ISSUE

OWO42146 Beijing XINHUA in English 1457 GMT 4 Apr 84

["News Analysis: NATO Seeking Unifying Purposes" -- XINHUA headline]

[Text] Bonn, April 4 (XINHUA correspondent Xia Zhimian) -- Silently celebrating its 35th birthday today, the Atlantic Alliance finds itself at a juncture where it has to think what its "unifying purposes" should be in the days to come. NATO was originally an outcome of the cold war between the United States and the Soviet Union after World War II, when the United States put the war-torn Western Europe under its nuclear umbrella and took it as its own sphere of influence in confrontation with the Soviet-dominated Warsaw Treaty Organization.

Now thirty-five years have passed and the balance of military power between the two superpowers has changed in disfavor of the U.S. side. Within the Alliance, the strength of the West European countries has grown at an incomparable pace. While the Soviet Union has lost not a little of its authority over its partners, the United States, too, is in a weaker position to exercise control over its allies. All this can not but induce new changes within NATO. At the end of last year, NATO's European members accepted the deployment of U.S. medium-range missiles in defiance of Soviet pressure, in view of the need for concerted effort to counter Soviet threat.

This certainly was a show of NATO unity. Notwithstanding, Western Europe is obviously not willing to be a U.S. missile base only to full victim to a future nuclear war between the two superpowers, nor to see an extension of NATO's activities beyond Europe to involve them in U.S.-Soviet global contention. Still, they are obviously not willing to increase their military spending after the Reagan administration, nor to disrupt their economic and trade ties with the Soviet Union and Eastern Europe.

After the deployment, therefore, West European countries urged time and again the United States to take the initiative to resume negotiation on the process of detente with the Soviet Union.

Used to seeing things from a bi-polar approach, the Americans think otherwise. What they have in mind is to regain military superiority by continuing the arms race with the Russians in earnest, to have Europeans commit themselves more to European defense by increasing military expenditure, and to get more coordinated moves from Western Europe for its global strategy on such questions as the Middle East oil sea lanes. Such different interest between the two sides of the Atlantic was frankly admitted by U.S. Under Secretary of State Lawrence S. Eagleburger in his March 8 speech in Washington. The different approaches to the world affairs by the United States, a global nation, and Western Europe, regional nations, may break the decades-long ties of trust between the two parties, he said.

Apart from this, as the membership of NATO has grown to 16, disparity of interests and attitudes has become more of a factor affecting NATO's cohesion. Disputes between Greece and Turkey have lingered on. While Greece wants to enjoy a "special arrangement" as France under which it will stay outside integrated military organizations, the Netherlands has not yet agreed to the deployment of cruise missiles on its territory. The North European members have from start refused to accept nuclear weapons during peace time. The new member Spain is still waiting for a national referendum to determine whether it will stay on in NATO. In view of this, Henry Kissinger seemed to be right when he said: "The current condition of the alliance cries out for a rethinking of its structure, its doctrine and its unifying purposes." The question now is what "purposes" should be set that can "unify" NATO. At least one thing is clear. As the history of NATO indicates, if the United States continues to treat West European nations as unequal partners and remains indifferent to their own situations and desires and keeps on gearing NATO to serve the interests of its contention with the Soviet Union for world supremacy, no such "unifying purposes" can be identified at all.

#### COMMENTARY ON EASTERN-WESTERN EUROPE RELATIONS

OW041427 Beijing Domestic Service in Mandarin 1150 GMT 2 Apr 84

[International current events commentary by station commentator (Ji Ping); "New Trends in Relations Between Western and Eastern Europe"]

[Text] The North Atlantic Treaty Organization and the Warsaw Pact have long been two antagonistic military blocs. When the United States deployed its first batch of intermediate-range missiles in Western Europe late last year, the Soviet Union immediately broke off talks with the United States on nuclear disarmament, and deployed new Soviet missiles in Eastern Europe.



U.S.-USSR relations, as pointed out by the U.S. press, have sunk to the lowest level since the war.

However, while U.S.-Soviet relations have reached an impasse, and the two countries are locked in saber-rattling disputes over missile deployment in Europe, certain noteworthy changes, which have caught the world's attention; have taken place in the policies of such West European countries as Britain, France, Italy, and the Federal Republic of Germany towards Eastern European countries. First of all, the leaders of some West European countries have made use of every opportunity to send signals to East European countries, expressing their willingness to have high-level dialogue and improve relations with them, and they have also called on Europe to unite. British Prime Minister Mrs Thatcher has repeatedly stressed the need to have a dialogue with the Eastern European countries and to exert all possible efforts to reduce nuclear arms, prevent the threat of nuclear war, and ease world tension. French Prime Minister Mauroy has also pointed out that to meet the new challenge posed by the two superpowers' arms race, Europeans must be mobilized to safeguard Europe and their countries. In his recent report entitled "The Political Prospects in Europe," Strauss, speaker of the FRG Bundesrat, pointed out that, only when united can Europe maintain its political independence between the two superpowers, and only through concerted efforts can European countries eliminate the worrisome gap between them and the United States in future (?technology). FRG Chancellor Kohl has also written to the heads of state of Eastern European countries, calling for their support for multilateral or bilateral dialogue in order to maintain a passageway to detente. Moreover, the contacts between prominent figures of Western and Eastern European countries have also increased. Last year French Prime Minister Mauroy visited Hungary. Shortly afterwards, (Lacoste), chairman of the parliamentary group of the French Socialist Party, visited Poland. Last February Mrs Thatcher visited Hungary and talked with Kadar, first secretary of the Central Committee of the Hungarian Socialist Workers' Party, and President Losonczi and Premier Lazar of Hungary. In the spirit of seeking common ground and reserving differences, both sides unanimously expressed their deep concern over the grim current international situation, as well as their willingness to cooperate to ease the tense situation in Europe. At the invitation of Hungarian Foreign Minister Varkonyi, Swedish Minister of Foreign Affairs Bostrom visited Hungary in February, and both sides expressed worries over the increasingly tense international situation and the intensification of the arms race. Both sides unanimously agreed that controversial matters should be settled through negotiation or dialogue, that tension should be eased, and that development of cooperation should become the main trend in Europe. It was reported that FRG Chancellor Kohl and Italian Prime Minister Craxi will soon visit Hungary. Particularly noteworthy are the frequent contacts between high-ranking officials of the FRG and the German Democratic Republic. On 11 March Honecker, the supreme leader of the GDR, received four statesmen from the FRG, one after another. Within 2 days, following the opening of the International Spring Fair in Leipzig, one minister, three state premiers, seven state ministers and 78 federal and state assemblymen of the FRG visited the GDR.

Western European countries have also been seeking to expand the scope of contacts and establish even broader ties between East and West Europe. FRG Foreign Affairs Minister Genscher has stressed that consultations should be carried out between East and West Europe on certain regional issues, such as those concerning the Middle East, South Africa and a North-South dialogue, and that contacts should be increased in many other areas, so that mutual trust can be enhanced.

Western European countries are also ready to expand bilateral cooperation with Eastern European countries in the fields of science and technology, trade, culture, and education.

These new trends in relations between Eastern and Western Europe can be attributed to three main factors:

First, Western European countries, feeling uncomfortable with the two superpowers' intensified rivalry in Europe, and their increasingly strained relations, are trying to find a way to break the deadlock and ease the tension to a certain extent. In recent years Western European countries, while adhering to their basic defense-plus-detente policy in coping with the serious threat posed by the USSR's SS-20 missiles, have become increasingly inclined to unite with the United States, and strengthen their defense in order to counter the USSR. Following the deployment of U.S. intermediate-range missiles in Western Europe, Western European countries, while feeling stronger in countering the threat of Soviet expansion on the one hand, are apprehensive on the other that the U.S.-USSR armament race, on an unprecedented scale, will exacerbate the tension in Europe, and gravely threaten West Europe's peace and security. They want to promote dialogue with Eastern European countries, and work with them to maintain peace on the basis of low-level armament.

On the part of Eastern European countries, although the stands of most of them are close to that of the USSR regarding the missile issue, they are also apprehensive that a nuclear war might take place in Europe. They realize that, if there really is a nuclear war between the USSR and the United States, European countries will be the first victims. Against this background, characterized by tension in Europe, Eastern and Western European countries want to safeguard their national security, and prevent a war in which they will bear the brunt.

Second, Western European countries are not willing to see their situation completely under the influence of the two superpowers. They want to bring their positive roles into play, so that relations between West and East Europe will not be conditioned by U.S.-USSR relations, and that there will be more leeway for Western European countries, and that their international status can be heightened. While this is an election year in the United States and a Soviet leader has just been replaced, which means that the two countries will hardly be able to achieve anything significant diplomatically for the time being, the situation provides Western European countries a rare opportunity to maneuver actively. Such being the case, Western Europe has been acting positively in developing its relations with Eastern Europe.

Third, Western European countries' efforts in strengthening their relations with Eastern European countries are necessitated by political and economic needs. From the political point of view, people in the FRG and Britain have been loudly calling for improvement in East-West relations, and movements for detente have kept surging ahead. Western European countries also want to improve East-West relations to alleviate sentiments in the peace movements at home, through dialogue with Eastern European countries. From an economic viewpoint, developing better relations and trade with Eastern European countries will help Western Europe's economic recovery. On the other hand, Eastern European countries also hope that they can obtain advanced technology from West Europe and strengthen their economic and trade relations with West Europe. Last year, the trade volume between the FRG and the GDR increased 8 percent.



At a time when the two superpowers are locked in vigorous rivalry, and the international situation is tense, Western European countries' positive efforts to improve relations and promote dialogue with Eastern European countries, with the hope of building a united Europe, is undoubtedly a positive sign.

PRC, FOREIGN COUNTRIES SIGN INVESTMENT AGREEMENTS

OW051616 Beijing XINHUA in English 1510 GMT 5 Apr 84

[Text] Beijing, April 5 (XINHUA) -- China has signed agreements on promotion and protection of investment with Sweden, Romania and the Federal Republic of Germany, according to an official from the Ministry of Foreign Economic Relations and Trade.

Zhang Yuejiao, an official from the Regulations Bureau of the ministry, told 20 visiting American lawyers that negotiations on similar agreements had been held between China and Belgium and Luxembourg and that negotiations were now under way between China and France, Japan and the United States. Negotiations with Italy and Norway would soon start, she added. Zhang Yuejiao said that the agreements mainly covered the provisions of treatment, compensation for expropriation, transfer of funds and settlement of disputes. She explained that according to the agreements disputes might be solved through conciliation or lawsuits in Chinese people's courts. With mutual consent of the parties concerned, disputes might also be solved through international arbitration with reference to the Washington convention of 1965. CCPIT has a special arbitration commission in this regard.

JILIN CONTRACTS FOR PROJECTS IN CHINA, ABROAD

OW100911 Beijing XINHUA in English 0714 GMT 10 Apr 84

[Text] Changchun, April 10 (XINHUA) -- Nineteen contracts have been signed in the past two years by the Jilin Corporation for international economic and technical cooperation to provide services for construction projects in a dozen countries and for Chinese-foreign joint ventures in Guangdong Province.

These projects include a teachers' training center and residential quarters covering 585 buildings in Kuwait, a sport complex in Niger and a water supply system in Iraq. Other projects are in Romania, Japan, Algeria and Switzerland and in the Shenzhen Special Economic Zone in China.

The corporation was set up in 1981 by several large enterprises. It has 700 engineers, 1,800 technicians and 45,000 skilled workers. The corporation has opened business offices in Kuwait, Shenzhen and Beijing. Projects already completed include office buildings, bridges, highways, petrochemical and metallurgical works and power stations in China and foreign countries.

INCREASED TRADE EXPECTED FROM CHEN MUHUA U.S. VISIT

HK080107 Beijing CHINA DAILY in English 7 Apr 84 p 1

[Report by Staff Reporter Zhu Ling: "Trade Rise Expected from Chen's U.S. Visit"]

[Text] Chen Muhua, state councillor and minister of foreign economic relations and trade, will go to the United States early next month to attend the second session of China-U.S. Joint Commission on Commerce and Trade, CHINA DAILY has learned.

The minister, who is leading a large Chinese Government delegation, is scheduled to discuss technical co-operation, bilateral trade, investment and credit commitment with her counterparts in Washington. The two sides will also discuss the follow-up programmes for the China-U.S. Industrial and Technological Co-operation accord signed by Premier Zhao Ziyang and President Ronald Reagan last January. Chinese delegation will visit San Francisco, New York and Houston, as well as Washington.

Last month, the fourth meeting of China-U.S. Joint Economic Committees was held in Beijing and it was described as "fruitful" by both sides.

The forthcoming session will take place at a time when the trend of Sino-American trade and economic co-operation is positive, a spokesman of Ministry of Foreign Economic Relations and Trade told CHINA DAILY yesterday.

Currently, the two countries are busy negotiating "quite a number of important trade-related agreements," he revealed. But he declined to elaborate.

Expansion

The United States now ranks first in terms of total investment in China. More money is expected to be poured into China as many more American companies have expressed their wish to invest in China's special economic zones. The spokesman said: "Bilateral trade in technological products is showing a noticeable increase -- a new positive factor in the expansion of trade between China and the United States."

The Chinese Government is looking forward to more co-operative projects between Chinese and American companies, chiefly in energy, communications, nonferrous metals and factory modernization programmes, he said.

Despite many trade disputes between the two countries, bilateral trade was still worth \$4.45 billion last year. The United States remains China's third biggest trade partner. But, the spokesman added, China was running a deficit of \$950 million in its trade with the U.S. last year.

An American diplomat in Beijing said U.S. officials are looking forward to Chen Muhua's visit. He said that there were no major obstacles to trade between the two countries at the moment and he was optimistic about an increase in bilateral trade this year.

CHEN MUHUA MEETS U.S. SPORTING GOODS EXECUTIVE

OW091015 Beijing XINHUA in English 0901 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- Chen Muhua, state councillor and minister of Foreign Economic Relations and Trade, met here this afternoon with Philip Knight, president of the Nike Inc. of the United States, and Richard Holbrooke, a senior adviser.

The Nike Inc. is one of the largest firms in the U.S. in the production and sale of sports shoes. It has signed agreements with some Chinese factories on joint production.

At the meeting, they exchanged views on continuous cooperation.

PRC COAL CORPORATION, BECHTEL AGREE ON JOINT VENTURE

OW092028 Beijing XINHUA in English 1431 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- The China National Coal Development Corporation (CNCDC) and International Bechtel Incorporated (IBI) of the United States signed an agreement here this afternoon on establishing a 15-year engineering joint venture. The joint venture, China American International Engineering Incorporated, will be the first of its kind CNCDC sets up with a foreign counterpart.

According to the agreement, the joint venture will, in the initial stage, undertake the following projects: open-cast coal mines, coal dressing plants, pipeline transportation systems, coal gasification projects, civil engineering projects and auxiliary facilities. Projects the venture undertakes may also include underground mines, and projects in metallurgical, petroleum, chemical, power, and communications industries and other fields. The venture will provide such services as planning, feasibility studies, detailed designing, geological survey and reserve assessment, project management, personnel training and technology transfer. The joint venture will undertake projects both inside and outside China, the agreement says. The venture will have a registered capital of three million U.S. dollars and each partner will contribute 50 percent. Profits the joint venture makes will be shared in accordance with the investment ratio of each party, and losses and risks will be borne likewise. Upon the commencement of the venture, IBI will contribute without any charge advanced technology related to management systems and skills.

China American International Engineering, Inc. will be based either in Beijing or the Shenzhen Special Economic Zone in south China's Guangdong Province.

U.S.-PRC TRADE DISCUSSED IN HOUSE SUBCOMMITTEE

OW100533 Beijing in Mandarin to Taiwan 1500 GMT 8 Apr 84

[Text] According to a XINHUA report, in recent testimony to the Asian and Pacific Affairs Subcommittee of the U.S. House Foreign Affairs Committee, Roger Sullivan, vice president of the Executive Council of the National Committee on U.S.-China Trade, said: Although we are optimistic about the potential of the United States to increase its exports to China, we still see some barriers standing in the way of the development of our bilateral trade.

He criticized the highly restrictive U.S. guiding principle for technology transfers and expressed dissatisfaction over the amendment to the export control law now under discussion by the U.S. Senate. He noted that the amendment calls for item-by-item approval of licenses for U.S. goods or technologies exported to China, and that this would make U.S. policy toward China revert to the same restrictive rigidity applied to U.S. trade with the Soviet Union. This would be tragic, and the victim would be U.S. industry and its workers.



U.S. DELEGATION LEAVES XIAMEN FOR SHANGHAI

OW080817 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 6 Apr 84

[Text] The people's friendship delegation from the State of Oregon in the United States has successfully concluded its visit to Fujian Province. It left Xiamen by plane for Shanghai at noon on 6 April. The delegation was seen off at the airport by the representative of the president of the Fujian provincial branch of the Chinese People's Association for Friendship With Foreign Countries, (Ting Ren), and responsible persons of the Xiamen City Foreign Affairs Office.

The U.S. Guests arrived in Xiamen from Quanzhou on 4 April. During their stay in Xiamen, they were received by Vice Mayor of Xiamen City (Zhang Kecheng), toured Gulangyu, and visited the former resident of Mr Chen Jiageng, Xiamen University, (Zhongdu) harbor and the (Fuli) industrial zone. The guests said the cooperation prospects between Oregon's enterprises and the Xiamen Special Zone are bright.

ARTICLE ON ELECTION YEAR CHANGES IN U.S. FOREIGN POLICY

HK050906 Beijing BANYUETAN in Chinese No 5, 10 Mar 84 pp 55-57

[Article by Tang Shan: "U.S. Foreign Policy in the Election Year"]

[Text] This year is a U.S. election year, and President Reagan has announced his decision to run again for the Presidency. Changes in U.S. foreign policy during this election year will certainly draw close attention worldwide. According to past events, when an incumbent president tries to win reelection, he tends to seek a stable situation in the diplomatic field. Reagan's State of the Union Address this year also shows that he will continue to consolidate the U.S. position of strength in the rivalry for world hegemony and at the same time, will more frequently wave the olive branch in order to win voter support.

In his State of the Union Address, Reagan developed a six-point "peace plan" for this year's foreign policy. The six points are as follows: "building a more stable foundation for a peaceful relationship with the Soviet Union"; "strengthening ties with the whole alliance"; "really and fairly reducing the quantity of nuclear weapons"; "making greater efforts to bring about peace in the Middle East, Central America, and southern Africa"; "providing assistance to developing countries"; and providing assistance to the development of the so-called "world democratic system."

From the above six points, we can see that the primary subject in this year's U.S. foreign policy remains the handling of U.S. relations with the Soviet Union and stepping up U.S.-Soviet worldwide contention. By reducing nuclear weapons, Reagan in reality means to continue to contend for nuclear superiority with the Soviet Union. By seeking "peace" in the Middle East, Central America, and southern Africa, he means contending for these strategic points with the Soviet Union. Similarly, the strengthening of ties with its allies is to meet the need of closing ranks against the Soviet Union. As for the provision of assistance to other countries, the purpose is to safeguard "the vital interests of U.S. security there" and prevent Soviet infiltration.

In order to meet their needs in the rivalry with the Soviet Union, the Reagan administration presented \$305 billion for military spending in its 1985 budget, in spite of a \$180 billion deficit. That means that military spending will increase the figure by 13 percent for the previous year and will reach another postwar high.

Secretary of Defense Weinberger said: The United States must increase its conventional and strategic strength, because it is faced with "the threats posed by the Soviet Union's unprecedented expansion of a military buildup."

The apparent recovery of the domestic economy and the growth in military strength have provided favorable conditions for Reagan to pursue his foreign policy. However, the voters' "fear of a possibility of an outbreak of war under Reagan's leadership" is also growing. Reagan's campaign rivals from the Democratic Party are attacking Reagan's foreign policy, saying that Reagan has disregarded the American people's lives and safety. Therefore, in the new round of the rivalry for world hegemony, Reagan will have to wave the banner of "peace," "dialogue," and "disarmament," while continuing to show his military strength. He will have to take prudent action and try hard to prevent major errors in order to win reelection.

On 16 January Reagan delivered a speech on U.S.-Soviet relations and played down the rhetoric in this regard, indicating that his administration is willing to "establish a constructive and realistic working relationship" with the Soviet Union and to "hold a serious and constructive dialogue on all possible bases," and hoping that the Soviets will return to the negotiating table. Recently when the new Soviet leader came into office, Reagan once again expressed the hope for "making progress in all fields of U.S.-Soviet relations" and his willingness to "hold fruitful talks with the Soviet leader for this purpose." However, the new Soviet leader's reply was that Moscow would maintain the "continuity" of its foreign policy and would not "back up one step from this policy." There is a need to wait and see how U.S.-Soviet relations will develop.

On the Lebanon issue, Reagan has changed his hardline stance because the U.S. public generally opposes U.S. involvement in the Lebanese conflict. In order to avoid further and heavier losses (241 Marines were killed in Lebanon last year), he has decided to withdraw all Marines from Lebanon to U.S. warships cruising off the Lebanese coast. At the same time he has also agreed to the proposal calling for substituting the "multinational troops" with UN troops. However, he said that his administration would continue to support the Gemayel government and would not allow this country to fall under the control of the Syria and Muslim militia, who are supported by the Soviet Union.

In Central America, in order to have tighter control over its "backyard" and obstruct the infiltration and expansion of Soviet influence, the Reagan administration last year sent troops to invade and occupy Grenada, spared no effort to support the Salvadoran Government's suppression of the guerrilla forces, and exerted military and political pressure on Nicaragua. All of these moves were opposed by many Americans and some Latin American countries. Therefore, Reagan recently decided to adopt the proposal presented by the bipartisan commission on Central America. He is now planning to pursue the package plan to increase by a big margin economic and military aid to Central American countries, or to use the "carrot and stick" method, to stabilize the situation in Central America and to consolidate the U.S. position in this region.

In southern Africa the United States has also adopted some new techniques to protect its strategic interests and overcome the Soviet Union's influence. It has been mediating between South Africa and Angola and has been consulting with all parties concerned on the Namibia issue and on peace and stability in this region.

In short, Reagan has taken a series of actions to prevent his foreign policy from being attacked by his campaign rivals and from upsetting the voters. However, the United States will not back down in its rivalry with the Soviet Union, and Reagan will face a stern test in the coming year.



JOURNAL ON ANDROPOV'S DEATH, CHERNENKO'S RISE

HK070310 Beijing BANYUETAN in Chinese No 5, 10 Mar 84 pp 53-5.

[Article by Wei Zhe: "From Andropov to Chernenko"]

[Text] Yuriy Vladimirovich Andropov died of illness on 9 February. On 13 February the CPSU Central Committee convened an extraordinary session and elected 73-year-old Konstantin Ustinovich Chernenko to become general secretary of the CPSU Central Committee.

People have noted that Chernenko, the new general secretary, in his seventies, is 3 years older than his predecessor Andropov. Andropov was 68 years old -- close to 70 -- when he was elected general secretary, whereas Khrushchev was 59 years old and Brezhnev 58 when they took over the position. This shows that the Soviet Union is faced with a "serious and long-standing" problem -- in this country, successors to the leader, generation after generation, are of more and more advanced age when they assume office.

Chernenko, the newly elected general secretary, is a Russian, who was born into a peasant family in the border area of Krasnoyarsk in Siberia. He had long been engaged in local party work. In the early 1950's, he was appointed chief of the Propaganda and Agitation Department of the party Central Committee of the Moldavian Soviet Socialist Republic. Brezhnev was then holding the post of first secretary of the Republic's party Central Committee. Chernenko became the chief of the Secretariat of the Presidium of the Supreme Soviet in 1960, when Brezhnev was the chairman of the Presidium of the Supreme Soviet. During the period when Brezhnev was the general secretary of the CPSU Central Committee, Chernenko was the chief of the General Department of the CPSU Central Committee and held the post for nearly 20 years. In the period from 1976 to 1978, Chernenko was promoted three times, first as a member of the Secretariat of the CPSU Central Committee, then as a candidate member of the Politburo, and finally as a full member of the Politburo. He was regarded as an "intimate assistant" to Brezhnev. When nominating Chernenko to be the general secretary, Tikhonov praised him as a "loyal comrade in arms" of Brezhnev and Andropov.

In his acceptance speech after the election, Chernenko voiced his intention to "pursue the party's principled line to which Andropov had persistently and steadfastly adhered." Praising Andropov for the achievements he made in a short period of time, Chernenko said: "It is necessary to realistically evaluate what has been accomplished, neither exaggerating nor belittling it." When talking about economic problems, he said: In the Soviet Union, "the whole economic machine is in need of serious restructuring." "The restructuring of the economic mechanism is an essential task." And, as far as this matter is concerned, we must "study carefully before any decision is made." As for foreign policy, he emphasized that as the world was now faced with complicated and tense situation, the Soviet Union would absolutely not draw back from its stance. He pledged to "go all out to promote and strengthen the unity and cooperation between the countries within the socialist big family," called for "a peaceful settlement of all disputable international problems through serious, equal, and constructive talks;" and emphasized that the Soviet Union had to strengthen its "defense capacity" and that the country had to "acquire enough means to cool the hot heads of militant adventurists."

Andropov, the former general secretary of the CPSU Central Committee, who passed away recently, had long experience in top level decisionmaking and attained a pretty high cultural and theoretical level. His special working experience with the State Security Committee (KGB) as its chairman for 15 years particularly prepared him to be a "resourceful, thoughtful, and decisive" man. He was not only abreast of the developing state of international affairs but also familiar with the domestic situation.

During the year or more he held office, he tried to be someone more than a mere "follower of his predecessor" and made every effort to achieve "something," while ensuring the "continuity" of the domestic and foreign policies pursued by the Soviet Union during the Brezhnev era. Last year, he concentrated his effort on domestic problems and took actions soon after assuming power. He boldly and resolutely carried out a personnel reshuffle; he set about straightening out discipline and strengthening ideological work; and he vigorously grasped economy, starting pilot projects to give joint companies and enterprises the power to make decisions more independently, implementing the "food program," and enforcing the collective contracting system in rural areas. In the year or more of his rule, Andropov achieved initial success in domestic economic construction -- 1983 witnessed a turn for the better in the country's economic growth rate which had been declining for years. But, there remain by far quite a lot of problems in the Soviet economy.

During the period of his rule, Andropov basically followed the foreign policies laid down in the Brezhnev era. While concentrating his attention on domestic problems, in the diplomatic field he mainly dealt with the United States. The Soviet-U.S. arms race and confrontation were escalated, and the Geneva nuclear talks went from deadlock to a halt. Although the peace offensive against Western Europe was not successful, the Soviet Union has continued its efforts to maintain and promote economic relations, trade, and scientific and technological exchanges with West European countries. As for its relations with its East European allies, the Soviet Union recognized that socialist models can "vary" from country to country and that different countries are faced with different situations. As far as Sino-Soviet relations are concerned, Andropov on many occasions expressed his hope for an improvement of relations. As a result, relations between the two countries have been improved to a certain extent. But so far no substantial progress has been made regarding the elimination of the "three great obstacles."

A change was observed in the order of appearance of the Soviet leaders when they lined up to pay their last respects to Andropov. Gorbachev (53 years old), the youngest member of the Politburo and secretary of the CPSU Central Committee, was seen standing to the right of Chernenko. This order of line up has drawn the attention of foreign observers. Gorbachev "has led all other young members in the Politburo," a Moscow correspondent of the French newspaper LE MONDE put it. Other reports mentioned Gorbachev delivering a speech at the close of the extraordinary session of the CPSU Central Committee for the election of Chernenko as general secretary. "On behalf of the Politburo" of the CPSU Central Committee, Gorbachev urged the participants in the session to implement the guideline laid down by the plenary session.

PRC PARTICIPATES IN SEOUL BASKETBALL TOURNAMENT

OW080001 Beijing XINHUA Domestic Service in Chinese 1328 GMT 6 Apr 84

[Text] Beijing, 6 Apr (XINHUA) -- The Eighth Asian Junior Basketball Championship Tournament will open in Seoul, South Korea, on 7 April, according to foreign news agencies.

A total of 10 boys and 8 girls groups take part in the tournament. During the preliminaries, the boys and girls groups will each be divided into Group A and Group B for a single round robin; then the top three teams from both the boys preliminary round, and the best four teams of the girls groups will vie for the championships in the final round.

The groupings for the preliminary round are as follows:

Boys Group A: The Philippines, Japan, China-Taipei, Malaysia and Singapore;

Boys Group B: China, South Korea, India, Indonesia and Sri Lanka.

Girls Group A: China, Japan, Singapore and the Philippines;

Girls Group B: South Korea, Malaysia, China-Taipei and Sri Lanka.

According to the schedule the Chinese girls team will play its Philippine counterpart on 7 April, and the Chinese boys team will play the Indonesian team on 8 April.

KYODO REPORTS PRC, ROK SPORTS CONTACT DISCUSSED

OW070117 Tokyo KYODO in English 0008 GMT 7 Apr 84

[Text] Geneva, April 6 KYODO -- China gave its first official intention to take part in the 1988 Seoul Olympics when senior Beijing official Geng Biao said a Chinese delegator will be sent to the summer games, South Korean sources here said Friday.

The sources quoted Geng as saying China will also participate in the 1986 Asian games which will be held in the South Korean capital.

The sources said Geng made the remark when he met with South Korean National Assemblyman Kwon Chong-tal.

Geng, vice chairman of the National People's Congress (parliament) Standing Committee, and Kwon, a senior member of the ruling Democratic Justice Party, are here to represent their country at the current general session of the Inter-Parliamentary Union (IPU).

The sources said Geng and Kwon held informal talks when they were invited to a reception given by the Canadian delegation for the IPU meeting.

China and South Korea do not have diplomatic relations but the two countries, which fought each other in the 1950-53 Korean war, opened their face-to-face contact in the non-political field last month when China accepted a group of South Korean tennis players for regional elimination matches in the Davis Cup tournament.



DPRK WANTS TALKS WITH SOUTH ON OLYMPIC TEAM

OW061242 Beijing XINHUA in English 1031 GMT 6 Apr 84

[Text] Pyongyang, April 6 (XINHUA) -- The Democratic People's Republic of Korea (DPRK) has decided to hold discussions with South Korea about the formation of a joint team to the 23rd Olympic Games. According to radio Pyongyang, the Korean Olympic Committee will send a sports delegation to Panmunjom on April 9 to start talks with the South Korean Olympic Committee to work out an agenda for the discussions.

Kim Yu-sun, chairman of the Korean Olympic Committee, in a letter informed his South Korean counterpart Chong Yu-yong of the decision. The letter was handed to the South at Panmunjom by two liaison officials from the North this morning. Kim Yu-sun also informed the South Korean Committee that the DPRK Olympic Committee's delegation has its Vice-Chairman Kim Tok-chun as the leader and its Secretary-General Pak Mu-song as the deputy leader.

In the letter, Kim Yu-sun proposed that "to enable the talks on the formation of a joint team to go smoothly, it is necessary to first hold talks between the deputy heads of the two delegations to discuss the agenda, procedures and other matters concerning the talks."

The Korean Olympic Committee proposed the formation of a single Korean team to the 23th Olympic Games on March 30 and South Korea agreed to the proposal and suggested to hold the talks at Panmunjom on April 9.

## Talks 'Deadlock'

OW091941 Beijing XINHUA in English 1846 GMT 9 Apr 84

[Text] Panmunjom, Korea, April 9 (XINHUA) -- Delegates of the Olympic Committees from the two sides of Korea held first talks here this morning for the formation of a single team to attend the 23d Olympiad and other international games but failed to reach any agreement.

After the talks which lasted for more than two hours, Pak Mu-song, deputy general secretary of the Olympic Committee of the Democratic People's Republic of Korea and head of the northern delegation, told reporters that the talks had come to a deadlock because the South Korean side raised problems which had nothing to do with sports and slandered the social system in the North from the beginning of the talks.

Pak Mu-song said that the northern side sincerely hopes that players in both the North and the South would be united to form a single team to attend the 23d Olympiad and other world games. He indicated that his committee is willing to discuss the problem in future with the South Korean Olympic Committee.

FANG YI LEAVES FOR JAPAN SCIENCE, TECHNOLOGY TALKS

OW100228 Beijing XINHUA in English 0211 GMT 10 Apr 84

[Text] Beijing, April 10 (XINHUA) -- Fang Yi, state councillor and minister in charge of the State Science and Technology Commission, left here for Japan on a visit this morning. He went there at the invitation of the Japanese Ministry of Foreign Affairs, the Science and Technology Agency, the Atomic Energy Commission and the Japan-China Society.

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During his stay in Japan, Fang Yi will discuss with people of various circles ways of enhancing Sino-Japanese scientific and technical exchanges and cooperation. He will also study the development of science and technology in Japan.

He was seen off at the airport by Zhao Dongwan, vice-minister in charge of the State Science and Technology Commission, and Yan Dongsheng, vice-president of the Chinese Academy of Sciences.

Japanese Ambassador to China Yasue Katori gave a dinner for Fang Yi at the embassy here yesterday evening.

WANG ZHEN-LED DELEGATION DEPARTS FOR JAPAN

OWO90755 Beijing XINHUA in English 0649 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- A 15-member China-Japan friendship delegation left here by air this morning for a 10-day visit to Japan at the invitation of the Japan-China Friendship Association and other five organizations. The head of the delegation is Wang Zhen, honorary president of the China-Japan Friendship Association, and its deputy head is Sun Pinghua, the association's vice-president who is also vice-president of the Chinese People's Association for Friendship With Foreign Countries.

It is learned that during its visit, the delegation will call on Japanese Prime Minister Yasuhiro Nakasone and leaders of both the House of Councillors and the House of Representatives, and meet with governors of Japan.

Seeing the delegation off at the airport today were Gu Mu, member of the Secretariat of the Chinese Communist Party Central Committee and state councillor; Hu Qili, member of the CPC Central Committee Secretariat; Tian Jiyun, vice-premier of the State Council; and leading members of departments concerned Wang Bingnan, Jiang Nanxiang, Liu Yandong and Quo Dongpo. Also on hand was Yasue Katori, Japanese ambassador to China.

Tokyo Arrival

OWO91705 Beijing XINHUA in English 1643 GMT 9 Apr 84

[Text] Tokyo, April 9 (XINHUA) -- A Chinese friendship delegation headed by Wang Zhen, honorary president of the China-Japan Friendship Association, arrived here today. The delegation was invited by the Japan-China Friendship Association, the Japan Association for the Promotion of International Trade, the Japan-China Cultural Exchange Association, the Dietmen's League for Japan-China Friendship, Japan-China Association on Economy and Trade, and the Japan-China Society for a Good-will Tour in Japan.

Tokuma Utsunomiya, on behalf of the host organizations, extended a warm welcome to the Chinese delegation at a reception held this evening. He said that relations between Japan and China have rapidly improved with the exchange of visits by General Secretary Hu Yaobang and Prime Minister Yasuhiro Nakasone. He said that in addition to the efforts of the governments of the two countries, ordinary citizens in the two countries should also unite to make their contributions to a lasting friendship between the two countries.

In his reply, Wang Zhen said that the six organizations dedicated to promoting friendship with China have contributed to the rapid improvement in relations between China and Japan.



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On world developments, he said the two superpowers' rivalry for nuclear supremacy and hegemony is threatening world peace. He said that the unswerving Chinese position is opposing war and defending peace.

He said China is willing to unite with the Japanese friends to help maintain peace in the Asian-Pacific region and to preserve a lasting friendship between the two countries.

Wang Zhen extended invitations to the six organizations to visit China.

#### PROVINCIAL GOVERNORS DELEGATION VISITS JAPAN

OW071337 Beijing XINHUA in English 0647 GMT 7 Apr 84

[Text] Beijing, April 7 (XINHUA) -- A 9-member delegation of the provincial leaders of China led by Bu He, chairman of the Inner Mongolia Autonomous Regional People's Government, left here by air this morning for a two-week friendship visit to Japan at the invitation of the National Governors' Association of Japan. Members of the delegation include He Zhukang, governor of Henan Province; Zhao Zengyi, governor of Jiangxi Province; Wang Guangzhong, vice-governor of Liaoning Province; and Huang Baozhang, vice-chairman of the Xinjiang Uygur Autonomous Regional People's Government.

Bu He told XINHUA before the delegation's departure that the delegation will meet with people of the political and economic circles in Japanese metropolitans and prefectures, know more about the development plans, industrial progress and enterprise management in different localities of Japan, and learn useful experience from them. He hoped that the visit would promote the economic and technological cooperation between the local governments of the two countries. The first Chinese provincial and municipal leaders delegation visited Japan in October 1978.

#### Tokyo Arrival

OW071850 Beijing XINHUA in English 1832 GMT 7 Apr 84

[Text] Tokyo, April 7 (XINHUA) -- A Chinese provincial governors' delegation arrived here today for a visit at the invitation of the Japanese National Governors' Association. The delegation, led by Bu He, chairman of the Inner-Mongolia Autonomous Region, consists of governors of Henan and Jiangxi Provinces, deputy-governor of Liaoning Province and vice-chairman of the Xinjiang Uygur Autonomous Region.

Secretary-General Ryuzo Ishimi of the Japanese National Governors' Association greeted the Chinese guests at the airport. The association entertained them at a dinner this evening.

#### Meets Japanese Officials

OW092007 Beijing XINHUA in English 1849 GMT 9 Apr 84

[Text] Tokyo, April 9 (XINHUA) -- Prime Minister Yasuhiro Nakasone's promise of no more war with China demonstrates Japan's desire to be friendly with China forever, a senior Japanese official said today. Nakasone made the remarks when Chinese Communist Party General Secretary Hu Yaobang visited Japan last November, Chief Cabinet Secretary Takao Fujinami told a visiting delegation of Chinese governors here this afternoon.

The Japanese people are pleased with the warm welcome given to Nakasone when he visited China from March 23 to 26 and the decision made by the two governments last November to form a "21st Century Committee for China-Japan Friendship," Fujinami said.

Bu He, head of the delegation and chairman of the Inner Mongolia Autonomous Region, said the delegation came to Japan to boost Sino-Japanese friendship and to learn from Japan's experience in economic construction. The nine-member delegation arrived here last Saturday for a two-week visit at the invitation of the National Governors' Association of Japan.

President and Vice President of House of Councillors Mutsuo Kimura and Noboru Aguna, Vice Speaker Kenji Fukunaga of House of Representatives, and Home Affairs Minister Seichi Tagawa met with the Chinese delegation separately today. Shunichi Suzuki, governor of Tokyo and chairman of the National Governors' Association of Japan, gave a banquet in honor of the Chinese governors this evening.

#### NAKASONE MEETS PRC-JAPAN AMITY OFFICIAL

OW071530 Beijing XINHUA in English 1434 GMT 7 Apr 84

[Text] Tokyo, April 7 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone proposed here today that the China-Japan youth exchange center to be established in Beijing should be complete with lodging and studying facilities. He made the proposal during a meeting with Vice-President of the China-Japan Friendship Association Zhang Xiangshan and his wife. The Chinese guests arrived here on March 29 for a visit at the invitation of the Japan-China Society.

Zhang appreciated Nakasone's proposal, saying it would be conducive to the youth exchanges between the two countries.

Nakasone expressed thanks for the warm reception accorded him during his China visit last month and said the Japanese public feels very pleased with it.

Zhang Xiangshan also called separately today on Director-General of National Land Agency Sakonshiro Inamura and Chief Cabinet Secretary Takao Fujinami.

During their stay in Japan, Zhang and his wife have visited, apart from Tokyo, a number of cities including Nagoya and Kyoto. They are leaving for home on April 9.

#### CHEN MUHUA MEETS JAPANESE INVESTMENT GROUP

OW092030 Beijing XINHUA in English 1442 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, met with an investigation group on investment environment sent by the Japanese Government at the Great Hall of the People here today. The group is led by Yaeiji Watanabe, legal advisor of the Japan-China Association on Economy and Trade.

Chen Muhua said opening to the outside world is one of China's basic state policies. In addition to the setting up of the four special economic zones, China decided recently to open 14 more coastal cities to foreign investment, she added. China is making efforts to improve its legislation and investment environment, Chen Muhua said.

She hoped that after the delegation's tour more and more Japanese entrepreneurs would run joint ventures or make sole investment in China.

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Mr. Watanabe said many Japanese were glad of China's opening of 14 more coastal cities. He expressed the belief that there were broad prospects for Japan-China economic and technical cooperation. The Japanese group arrived here yesterday and will shortly leave for southern China.

JAPANESE AGRICULTURE GROUP VISITING PRC

OW081540 Beijing XINHUA in English 1430 GMT 8 Apr 84

[Text] Beijing, April 8 (XINHUA) -- Liu Yi, Chinese minister of commerce, gave a banquet here this evening for a visiting delegation from the National Federation of Agricultural Cooperative Associations of Japan led by its Chairman Shohei Ishikawa. In his toast, Liu Yi warmly praised the Japanese federation for maintaining friendly ties with the All-China Federation of Supply and Marketing Cooperatives for 30 years, thus contributing to the enhancement of Sino-Japanese friendship.

In reply, Shohei Ishikawa said the development of China's national economy, expansion of production and improvement of the people's livelihood led to the development of commerce. He hoped for the expansion of cooperation between commercial circles of the two countries. The delegation arrived here today at the invitation of the Ministry of Commerce.

Meets Tian Jiyun

OW091441 Beijing XINHUA in English 1228 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- Chinese Vice-Premier Tian Jiyun this afternoon met with a delegation from the National Federation of Agricultural Cooperative Associations of Japan led by its Chairman Shohei Ishikawa. Tian Jiyun conferred with the guests on the rural circulation system. In recent years, China's agricultural production had developed rapidly. To cope with the growth of rural commodity production China was now discussing about the reform of the rural commodity circulation system, he said. The Chinese vice-premier hoped for increasing exchanges and cooperation between the two countries in this field.

YU QIULI RECEIVES JAPANESE SINOLOGIST

OW061321 Beijing XINHUA in English 1236 GMT 6 Apr 84

[Text] Beijing, April 6 (XINHUA) -- Yu Qiuli, member of the Central Military Commission of China, today discussed issues of common interest with Kenjiro Mitsuoka, chief representative of the forum on China's politics and economy of Japan. Later, Yu gave a dinner for the Japanese guest. Since he arrived here March 18, Mitsuoka has visited southwestern and northwestern parts of China. He is leaving for home tomorrow.



YUNNAN BORDER GUARDS KILL 43 VIETNAMESE

OW091724 Beijing XINHUA Domestic Service in Chinese 1454 GMT 9 Apr 84

[By reporter Li Shiyuan]

[Text] Yunnan border front, 9 Apr (XINHUA) -- The sixth company of a border guard regiment in Yunnan fought courageously and defended the border inhabitants who were engaged in production. They killed 43 Vietnamese soldiers within six days without any casualties of their own. The leading organ of the Yunnan border guard troops circulated a notice of commendation in this regard.

The sixth company was stationed along the Tengtiao River on the Sino-Vietnamese border. Since spring this year, the Vietnamese troops have carried out frequent provocations in our border region. They have fired at the local inhabitants of the Yao, Miao, Hani, and other National minorities with rifles and artillery on many occasions, seriously threatening their lives and the spring plowing activities. From 2 to 4 April the Vietnamese troops again repeatedly intruded into and harassed this area, firing their rifles and artillery at the commune members who were farming in the fields more than once and killing and wounding our border inhabitants. An armed detachment of the sixth company courageously returned fire at the Vietnamese troops who were carrying out armed provocations. The commanders and fighters killed 24 Vietnamese soldiers with their artillery on four occasions.

At noon on 5 April seven Vietnamese soldiers again attacked Chinese inhabitants who were doing labor work. Deputy Company Commander Li Baozhong immediately gave the order to return fire with artillery, killing five Vietnamese soldiers on the spot. In less than one hour, the Vietnamese troops, who would not resign themselves to defeat, once again organized their forces to carry out new sabotage activities. The sixth company hit back with artillery even more fiercely, and again killed 11 Vietnamese soldiers. It also destroyed one Vietnamese Army barracks.

On 7 April platoon leader He Ankang led four soldiers on patrol on the Chinese side of the Tengtiao River to protect farming activities in that area. At about 1300, they discovered five Vietnamese soldiers with submachine guns who had crossed the Tengtiao River and intruded into Chinese territory. Acting upon He Ankang's order, the fighters opened fire and killed three Vietnamese soldiers on the spot. The remaining two Vietnamese soldiers fled in panic.

FOREIGN MINISTRY DENIES TROOPS CROSSED INTO SRV

OW091453 Hong Kong AFP in English 1412 GMT 9 Apr 84

[Excerpt] Beijing, April 9 (AFP) -- Beijing today denied Hanoi's charges troops had crossed into Vietnam at several points Saturday and Sunday. The Foreign Ministry Information Department said in answer to questions that the reports from Hanoi were "sheer fabrication with ulterior motives."

The denial did not appear to refer to Hanoi's charges that Chinese gunners continued to shell Vietnam at the weekend.

Chinese authorities used the same terms Saturday when denying Hanoi's allegations that several Chinese infantry regiments had on Friday moved into Vietnam's Trang Dinh region opposite China's Guangxi Autonomous Region.

Earlier, the official NEW CHINA NEWS AGENCY (NCNA) has said that Chinese border guards had made a "riposte" Thursday and Friday to Hanoi's "armed provocations," destroying several Vietnamese positions and killing or wounding numerous Vietnamese. It did not give an exact casualty figure. NCNA said Saturday that the most serious incident took place Thursday when 23 Vietnamese were killed or wounded in an exchange of fire after six Vietnamese soldiers intruded into China's Yunnan Province.

PRC DIPLOMATS PAY TRIBUTE TO MARTYRS IN VIETNAM

OW060709 Beijing XINHUA in English 0659 GMT 6 Apr 84

[Text] Hanoi, April 5 (XINHUA) -- Chinese diplomats in Vietnam led by Ambassador Qiu Lixing paid respect today and yesterday to Chinese martyrs in Vietnam. The Chinese diplomats paid tribute to the Chinese martyrs buried in Gia Lam District, Hanoi, Kim Bang District, Ha Nam Ninh Province and Bai Chay District, Quang Ninh Province.

Present on the occasions were representatives of the Vietnam-China Friendship Association and the Vietnamese Foreign Ministry. Representatives of the Association laid wreaths at the tombs. More than 1,400 Chinese martyrs are buried in over 40 places in the northern part of Vietnam. They sacrificed their lives to help the Vietnamese people in their struggles against the French and U.S. wars of aggression and in economic construction.

ARTICLE ON SOVIET TAKEOVER OF SRV'S CAM RANH BAY

HK070830 Beijing RENMIN RIBAO in Chinese 7 Apr 84 p 6

[Article by Le Anh Tuan (Vietnamese), "translated" by Han Zhuang: "Who Owns Cam Ranh Bay Today?"]

[Text] As everyone knows, the Le Duan clique long ago handed Cam Ranh Bay over to the Russians to use. However, not many people know that Vietnam no longer has sovereignty over Cam Ranh Bay. Here, I present the notes on saddening conversations with "N," who lived at Cam Ranh Bay for many years and has recently fled abroad from Vietnam.

After signing the "Vietnam-Soviet Treaty of Friendship and Cooperation" with the Russians at the end of 1978, the Le Duan clique immediately and secretly ordered a special work group, the frontline naval headquarters, and the Phu Khanh provincial party committee to make preparations to greet the Russians arriving at Cam Ranh Bay. The first task of these units was to evacuate the inhabitants of My Ca Village from the Cam Ranh Peninsula. In January 1979 a military unit dispatched by the Le Duan clique surrounded the My Ca monastery and ordered the 18 Vietnamese novices to leave the peninsula immediately. Following that, the Le Duan clique decided to evict all the 40 households of My Ca Village to the Cam Phuc new economic zone under the Phu Khanh provincial authorities. The eviction order stipulated that the inhabitants must keep their houses and orchards in good order, and were not allowed to destroy them.

Viewing these savage acts of the Le Duan clique, the inhabitants of My Ca Village waged a struggle to reason things out, but to no avail. A pastor and three novices at the My Ca monastery, unable to tolerate this brazen despoliation, rose in resolute resistance, but were immediately and violently dragged off by the Le Duan clique and put in a large sealed truck; they have not been seen since. The incensed villagers destroyed their houses and threw pig and cattle manure and dead chickens into the wells. They were then evicted from the village at bayonet and gunpoint.



The Le Duan clique then burned the crosses and images belonging to the religious believers and leveled the graveyard. At Ba Nguy Township on the western side of the Cam Ranh Peninsula, they persecuted those who were "not allowed to remain" and those who might possibly turn into "the eyes and ears of the enemy," and ordered the closure of all photographic studios, cold drink stores and restaurants; they stipulated that all fishing boats, and even the elderly and children who caught shrimp and crab on the shore, were prohibited from entering the Cam Ranh Bay area. As a result, the people engaged in commerce, handicrafts, and fishing at Ba Nguy Township lost their livelihood, and many of them had no alternative but to move elsewhere. In the first half of 1979 alone, over 3,000 people from Cam Ranh County fled abroad by sea. Now, about two-thirds of the inhabitants of Ba Nguy are public security personnel, special agents, cadres, and military officers' dependents of the Le Duan clique.

In this way the Le Duan clique constructed a safety belt around the Cam Ranh Peninsula, but they were still worried about it. They planted mines and erected barbed wire obstacles around the Long Ho Bridge on the only road to Ba Nguy Township, and also posted a squad of "frogmen" at the bridge to guard against underwater saboteurs; they also deployed a squadron of army dogs on the northern side of the peninsula to carry out patrols and searches day and night.

In March 1979 the Le Duan clique transferred the Phu Khanh Provincial Construction and Engineering Company and the Navy's Logistics Bureau to Cam Ranh Bay to accelerate the construction work. They built a fully-equipped "Soviet village" consisting of between 10 to 20 two-storey houses, and also build a department store, fruit store, nonstaple food store, a bar, a flower garden, and a "cultural palace" (in fact a night club) for the Russians. They set up five sentry posts along the section of road from Ba Nguy Township to the Russian headquarters at Cam Ranh Bay. The Russians repaired the observation platform, command platform, and highly sensitive radar navigation guidance system which had been built by the Americans.

At the beginning of September 1979, after the preparatory work had been completed, the Russian advanced party arrived at Cam Ranh Bay, accepted all the military installations, and presented a plan for so-called cooperation between Vietnam and the Russians. According to the provisions of this plan, the Vietnamese side was responsible for guard duties at the first and second sentry posts on the road from Ba Nguy to the Cam Ranh Peninsula, the Russians would be responsible for guard duties from the third sentry post to the headquarters building.

At the beginning of 1980, the Vietnamese units stationed at Cam Ranh Bay were ordered to gradually withdraw, and their defense duties were taken up by the Russians, in the air and on the sea. A number of Vietnamese troops withdrew for each batch of arriving Russians. Over a period of 30 days or so, the Vietnamese special work group and the 12th Marine Brigade (about 8,000 men) were entirely withdrawn. Practically all Vietnamese troops there have now been withdrawn.

Following the arrival of the Russians at Cam Ranh Bay, an endless stream of weapons of all types poured into the place by truck, plane, and warship. The first and second sentry posts, manned by the Vietnamese, are not allowed to delay the Russian vehicles, but must let them pass immediately. All military activities of the few Vietnamese military units remaining at Cam Ranh Bay have to be reported to and approved by the Russians. The Russians are responsible for all guard duties on the entire Cam Ranh Peninsula. Vietnamese planes and warships are not permitted to pass the area. The Russians have even specifically laid down that the Vietnamese troops are under curfew from 1800 to 0600 every night.

Any Vietnamese officer or soldier breaking the curfew is killed on the spot with the authority of the law.

At the end of 1980 the Russians shipped a number of large war weapons into Cam Ranh Bay, including four TU-95 electronic reconnaissance planes, and two squadrons of BE-12 and KA-25 antisubmarine patrol planes. The BE-12 has an action radius of 400 nautical miles, while that of the KA-25 helicopters is 200 nautical miles. These two types of aircraft are equipped with missile guidance systems, friend-or-foe identification devices, and laser target-finding systems.

In order to direct the activities of various types of submarines in the South Pacific and maintain direct contact with the Far East military bases, the Russians have built a long-distance electronic surveillance station at the Cam Ranh Bay headquarters. It is noteworthy that the Russians have now moved into the area a regiment of TU-22 strategic bombers, together with about 30 vertical take-off and landing YAK-42 jets, as the reserve aviation force of the carrier Minsk.

For a while, the Russians used the original installations at Cam Ranh Bay while stepping up the construction of military facilities, such as underwater fuel dumps, concealment tunnels for nuclear submarines, repair shops for submarines and surface warships, aircraft assembly plants, and so on; they have strengthened the landing strips built by the Americans in the past for heavy and medium aircraft (such as transports and heavy attack planes). They have built more arched building for use as hangers and also for concealing secret materials unloaded from planes. Cam Ranh Bay today is worthy to be called the largest Russian base in Southeast Asia. In February 1981, when a Russian submarine sailed into Cam Ranh Bay, a Russian officer said to a delegation of high-ranking Vietnamese officers inspecting the vessel: "The Cam Ranh Bay of today can assure the real interest of the Soviet Union, and can also help the Soviet Union to grasp the offensive initiative in the South China Sea."

#### THAI ARMY, PEOPLE VIGILANT AGAINST SRV RETURN

OW091231 Beijing XINHUA in English 1154 GMT 9 Apr 84

[Text] Phra Palai Valley, Thailand, April 9 (XINHUA and PEOPLE'S DAILY correspondents) -- Although Thailand's 13-day battle against the Vietnamese invasion has ended in victory the Thai armed forces and the people have not relaxed their vigilance against a possible Vietnamese return.

During a tour of the battlefield last Saturday at the Phra Palai Pass, in the Thai border province of Sisket where Thai armed forces bravely and furiously fought the Vietnamese intruders, reporters watched as Thai troops cleared the battlefield. They were collecting Soviet-made arms and ammunition used by the Vietnamese intruders, herding the prisoners of war and clearing the Vietnamese-laid mines for new roads. Briefing the reporters on the battle, General Issarapong, commander of the Sixth Division of the Thai armed forces, said that Vietnam threw into the battle close to a regiment of troops, about 13 tanks and 6 pieces of artillery. During the battle in the pass, the Thai forces killed about 200 Vietnamese, wounded some 30, captured more than 40 and drove the rest out of Thai territory.

To resist this invasion, the third and most severe of its kind since Vietnam occupied Kampuchea five years ago, Thai forces applied three-stage tactics -- warning, counter-attack and flushing out the remnant Vietnamese troops. When the fighting entered its second stage, the counterattack, the supreme commander General Athit Kamlang-ek took over direction of the battle.

By March 31, major fighting was basically over as the Thai troops conquered the last of the Vietnamese-held position of Height 642 using heavy artillery and ground support aircraft. On April 5, the Thai national flag was raised on top of the Height 642 to mark the victory. The victory, General Issarapong told reporters, proves that Thailand cannot be bullied.

#### ASEAN COUNTRIES PURCHASE U.S. FIGHTER PLANES

OW090949 Beijing XINHUA in English 0832 GMT 9 Apr 84

[Text] Tokyo, April 9 (XINHUA) -- Members of the Association of Southeast Asian Nations (ASEAN) have been buying American fighter planes for better air defense against the Soviet and Vietnamese menace, the Japanese newspaper NIHON KEIZAI SHIMBUN reports today.

A dispatch from Jakarta carried in the paper says that Singapore's purchase of the F-16 fighters was followed by the other ASEAN nations buying the more advanced F-16A, all aimed at countering the military buildup by Vietnam and Soviet expansion in Southeast Asia. The dispatch says about 40 percent of Soviet economic aid to Vietnam since 1979 has been in the military sector. The Vietnamese Air Force now has 485 fighter planes, of which 180 are MIG-21 supersonic aircraft. Last year, the Soviet Union beefed up its military installations in Vietnam's Cam Ranh Bay with nine medium-range TU-16 bombers, thus posing a direct threat to the ASEAN nations, the story says.

It says that, during his visit to the United States in his six-nation tour beginning Sunday, Thai Prime Minister Prem Tinsulanon will try to talk U.S. President Ronald Reagan into selling Thailand the F-16A fighters as the country is a "frontline state" in fighting the Vietnamese along the Kampuchean border.

#### LI PENG MEETS HONG KONG POWER COMPANY OFFICIAL

OW091838 Beijing XINHUA in English 1831 GMT 9 Apr 84

[Text] Shenzhen, April 9 (XINHUA) -- Chinese Vice-Premier Li Peng today met with Lord Lawrence Kadoorie, chairman of the China Light and Power Co. Ltd. of Hong Kong, and his party. The two sides held friendly talks on the questions relating to the construction of a nuclear power plant in Guangdong Province, a joint venture to be formed by the Hong Kong Nuclear Investment Company Ltd. and Guangdong.

Among those present at the meeting were Xu Jiatao, director of the Hong Kong branch of XINHUA NEWS AGENCY; Lin Zongtang, vice-minister of the State Economic Commission; Peng Shilu, vice-minister of Water Resources and Electric Power and director of the nuclear project; and Jin Dequin, president of the Bank of China.

The meeting was followed by a banquet hosted by Li Peng for the guests.



TUNISIAN FRIENDSHIP GROUP WELCOMES WU XUEQIAN

OW091611 Beijing XINHUA in English 1436 GMT 9 Apr 84

[Text] Tunis, April 9 (XINHUA) -- Ahmed Bennour, president of the Tunis-Chinese Friendship Association, gave a reception here Sunday evening in honor of visiting Chinese Foreign Minister Wu Xueqian. In his toast at the reception, Bennour said he was very glad to see the smooth development of friendly relations between Tunisia and China and their peoples and it was his hope that exchanges between them in all fields will further strengthen. He stressed the necessity for the Tunisian youth to increase their knowledge about China's reality and experience.

In his reply, Wu Xueqian expressed admiration of what the Tunis-Chinese Friendship Association had done to promote the mutual understanding and friendship between the peoples of Tunisia and China. He said during his present visit he had been deeply impressed by the warmth and sincerity of the Tunisian leaders and people towards China. He pointed out that China can learn a lot from the experience of Tunisia.

XINHUA DELEGATION ENDS 9-DAY VISIT TO TUNISIA

OW100841 Beijing XINHUA in English 0730 GMT 9 Apr 84

[Text] Tunis, April 9 (XINHUA) -- China and Tunisia has signed a program of cooperation between them in the field of information. This came about during a nine-day visit here by the delegation of the XINHUA NEWS AGENCY led by Director-General Mu Qing.

Tunisian Prime Minister Mohamed Mzali, Foreign Minister Beji Caid es-Sebsi and other high ranking officials met and had friendly talks with Mu Qing during his visit. Mu also had a working meeting with Tunisian Minister of Information Abderrazak Kefi during which they signed the program of cooperation. The delegation visited the TUNIS-AFRIQUE PRESSE, the Tunisian broadcasting and television station, NOUVELLES paper and other news departments. It left here this afternoon for Pakistan.

CHEN MUHUA MEETS ZIMBABWE CONSTRUCTION MINISTER

OW091439 Beijing XINHUA in English 1309 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, this evening met and feted Simbarashe Simbanenduku Mubengegwi, Zimbabwean minister for construction and national housing. Minister Mubengegwi and his party arrived here this morning to contract for building a stadium with Chinese Government aid.

NI ZHIFU DELEGATION CONCLUDES VISIT TO SENEGAL

Received by President

OW050729 Beijing XINHUA in English 0700 GMT 5 Apr 84

[Text] Dakar, April 4 (XINHUA) -- President Abdou Diouf of Senegal received a Chinese trade union delegation led by Ni Zhifu, president of the All-China Federation of Trade Unions, at the presidential palace here today. President Diouf had a friendly conversation with the delegation. He said that Senegal maintains very good relations with China and this friendship is reciprocal. He is pleased with the effective cooperation between the two countries, especially between their leaders. He added that the cooperation between the trade unions of the two countries is also good. He also thanked China for its assistance to Senegal in its social and economic development.

Chinese Ambassador to Senegal Liang Feng was present on the occasion. Earlier, the Chinese delegation has attended a parade in celebration of Senegal's independence anniversary.

#### Leaves for Algeria

OW051656 Beijing XINHUA in English 1618 GMT 5 Apr 84

[Text] Dakar, April 5 (XINHUA) -- The trade union delegation of China left here today for Algeria after a four-day visit to Senegal. Ni Zhifu, delegation leader and chairman of the All-China Federation of Trade Unions, told the press the visit was a success which "would help the cooperation between the trade unions of the two countries." He believed that this cooperation has a good prospect of development.

During its stay here the delegation met the Chinese workers taking part in the construction of a friendship stadium, visited some factories, and made contact with local unionists.

#### ZAIREAN COUNCIL PRESIDENT TO VISIT PRC

OW092021 Beijing XINHUA in English 1616 GMT 9 Apr 84

[Text] Kinshasa, April 9 (XINHUA) -- Zaire's new president of the National Legislative Council, Kasongo Mukundji, has accepted an invitation to visit China at a convenient time this year. The invitation was extended during his meeting today with Chinese Ambassador to Zaire Li Shanyi. Li also delivered a letter from Chairman of the Chinese National People's Congress Standing Committee Peng Zhen congratulating Kasongo on his recent election.

#### ETHIOPIAN CONSTRUCTION MINISTRY GROUP ENDS VISIT

OW061323 Beijing XINHUA in English 1130 GMT 6 Apr 84

[Text] Beijing, April 6 (XINHUA) -- A delegation from the Ministry of Construction of Ethiopia led by its Permanent Secretary Abebe Muluneh left here today for Japan.

During the delegation's stay in Beijing, Chinese Minister of Communication Li Qing met and gave a dinner in honor of the Ethiopian guests. They also exchanged views with leading members of Chinese departments concerned on enhancing economic and technical cooperation between the two countries. The delegation toured Hubei Province and Shanghai City.

COMMUNICATIONS SATELLITE LAUNCHED 8 APR

OW101205 Beijing XINHUA Domestic Service in Chinese 1153 GMT 10 Apr 84

[Text] Beijing, 10 Apr (XINHUA) -- China successfully launched an experimental communications satellite at 1920 [1120 GMT] on 8 April. The satellite entered orbit as expected. It is operating satisfactorily and functioning normally. This marks another new achievement for China's space technology.

Report on Satellite

HK101214 [Editorial Report] Beijing Television Service in Mandarin on 10 April begins its regular 1100 GMT news broadcast with a 1.5-minute filmed report on China's "successful launch of an experimental communications satellite" on 8 April.

The film opens with a shot of the experimental communications satellite being launched at an unidentified site. The camera then cuts to show some 12 people sitting in a control room. This is followed by a shot of the ascending satellite and a shot of a control panel. The film then ends with a long shot of the satellite. During the aforementioned scenes, the announcer says: "Viewers, we now report to you a piece of heartening good news: According to this station's reporter, our country successfully launched an experimental communications satellite at 1920 [1120 GMT] on 8 April. The satellite is already in a predetermined orbit. It is moving well and is working normally. This is another new achievement for our country's space technology."

'DANGEROUS' SITUATION EXISTS IN RECTIFICATION

HK090443 Beijing RENMIN RIBAO in Chinese 5 Apr 84 p 8

[Article by Dong Feng: "Do 'They' Understand or Not?"]

[Text] The "Decision of the CPC Central Committee on Party Rectification" points out: "Quite a number of our comrades are now not as clear-headed as before." "They fail to understand that the question of the party's style is a question of life and death for a party in power."

If the "question of the party's style" is related to the "life and death" of our party, then party rectification should be regarded as a key to the problem. The "decision" also says: "If the party is divorced from the masses and does not take resolute measures to correct this, then it will inevitably lose the people's trust and support and will meet with failure." It is thus clear that if party rectification proceeds perfunctorily, "failure" or "death" is "inevitable." In this sense, I think that party rectification can be regarded as a life-and-death struggle. This is why the party Central Committee has time and again stressed that the current party rectification should in no way proceed perfunctorily.

Then, why do "they" (some party members) not understand the truth? On this point the "decision" clearly points out the following:

"They" are those who fail to maintain political and ideological unity with the party Central Committee because of their erroneous "leftist" and right tendencies, so the "assume a resistant attitude toward or deviate from" the party line, principles, and basic policies adopted since the 3d Plenary Session of the 11th CPC Central Committee.



These people "do not understand the truth" because "they have not yet freed themselves from the shackles of past 'leftist' ideas," or because "they have failed to stand the test of historical setbacks and have succumbed to the corrosive influences of bourgeois ideology."

"They" are those who take advantage of their "power and position and the conveniences provided by their work to seek personal gains through all possible means for themselves and for those close to them," and those who are "seriously affected by bureaucratism, has and those who eat three full meals a day yet do no work." These people "do not understand the truth" because the pernicious influences of the 10-year domestic turmoil have not been eradicated among them.

Regarding the "people of three categories" who should be weeded out from the party, those who stubbornly resist the policies of the party Central Committee adopted since the 3d Plenary Session of the 11th CPC Central Committee," those who have committed grave crimes in economic matters and other criminal offenses, and those who have seriously violated the law and discipline do not belong to the ranks of "those" party members mentioned above and should be treated in a different way.

The "decision" also gives vivid description of more of "those" party members. It is not difficult for us to find "them" around us. But the party and comrades eagerly hope that "they" will be courageous in making a sincere and profound self-criticism of their own mistakes and shortcomings. Since "they" have made mistakes, "they" should correct them. Thus, "they" can still become good comrades and the party will grow ever more prosperous.

Nevertheless, things may not necessarily turn out the way we expect. Many of "those" who "did not understand the truth" will still "not understand it," even though "they" have come targets of public criticism and are put in the public eye. Some of "them" may behave coyly in an attempt to hide their mistakes and some may strike a pose and pretend to care nothing in an attempt to "sneak away," because all of "them" "do not understand the truth" for certain reasons. Such "reasons" spontaneously run against spirit of the "decision" expectations of the party and comrades, thus making "them" unwilling to "understand the truth." Moreover, the problem is that "those who do not understand the truth" are not just a few, but are "relatively large in number," though "they" constitute a very small segment of members within the party. Just as the "decision" points out, some of "these people" are those who take advantage of their "power and position and conveniences provided by their work," and some are those who are "leading cadres" or who "hold leading posts." These people have become a kind of obstruction that cannot be underestimated within the party. It is impossible to bring about a change in "them" unless "they" are given a vigorous push.

Whether party rectification will proceed perfunctorily or not depends mainly on what change can be brought about in "them." Just as the "decision" clearly states, we must be bold enough to admit that our party is still at the crucial juncture, facing a possible failure before we successfully fulfill the tasks of the present party rectification.

According to the results of a spot check made recently by the Central Commission for Guiding Party Rectification, the study in most of the units that have begun carrying out party rectification did not meet the requirements set forth by the party Central Committee. This is not alarmist talk. The situation is dangerous, though it can still be remedied. The very remedy is that we must let all party members, especially "those mentioned above" really "understand" that the question of the party's style is related to the life and death of our party.

For this reason, all comrades who show concern for the "life and death of our party" should seriously contemplate whether they really understand the truth or not.

RENMIN RIBAO ARTICLE ON ENTERPRISE MANAGEMENT

HK090752 Beijing RENMIN RIBAO in Chinese 30 Mar 84 p 5

[Article by Liu Fengchang and Gong Jinglong: "Strengthen Enterprise Management, Attain Better Economic Results"]

[Text] There are two aspects of work that cannot be overlooked in order to properly grasp the economic results of industrial production and construction. One is to improve the techniques of production as well as the quality of administration and management by means of readjusting and upgrading, and the other is to give full play to the role of enterprise management based on the technological and technical characteristics of each trade, and to organize the production and construction of the whole trade in a scientific and effective manner. Neither can be overemphasized at the expense of the other. Due to the fact that the former is conditioned by the latter, in a certain sense, the latter is more important than the former. At present we will only discuss some rudimentary views on the question of how to strengthen the management of various trades in light industry.

**It Is Imperative To Give Play to the Role of Enterprise Management**

Trades are a historical product. They constantly emerge as a result of the expansion of industrial production, the progress of science and technology, and the development of division of labor in society. Each trade has characteristics and demands different from other trades in such aspects as targets of processing, means of production, and crafts of processing. Under socialist conditions, in order to raise the overall economic results as well as social results of the whole trade, it is necessary to correctly utilize the role of enterprise management in production and construction.

The reasons we must utilize the role of enterprise management are: 1) To break out of the narrow confines of departments and localities, make a comprehensive survey of the overall situation, bear the future in mind, and put forward more reliable plans for the distribution of productive forces as well as the location of enterprises based on needs and feasibility. Newly extended enterprises should achieve mass production and rational construction and promote this. They must not rush wildly into mass action at the prospect of making money without taking into consideration the social needs, their own conditions, and social results. Blind distribution, duplicate construction, and waste of money will have an adverse effect on the economic results of the whole trade. 2) Make a comprehensive survey of the gap between the technical level of existing enterprises in the whole trade and the advanced level abroad, take into unified consideration the plans and implementation measures for the technical transformation and development of all types of enterprises in the whole trade, properly carry out the tackling of technical problems within the country and the introduction of technology from abroad in an organized and planned manner, and promote the transfer of military technology to the trades and the transfer of coastal technology to the hinterland. 3) Be able to proceed from the general objective of raising the economic results of the whole trade, readjust the enterprise structure and product structure within the trade based on the principle of specialized cooperation and economic rationality, organize the rational division of labor for product variety and spare-parts production between the enterprise, based on domestic and external market needs as well as the specific conditions of each enterprise, and reduce the waste of productive forces to a minimum.

4) Conditionally draw up and practice a unified norm for the technical standard of products as well as consumption of materials, and continue to revise standards and norms on the basis of constantly improving scientific and technical level, so that the quality of products will continue to improve, the costs of products will continue to decline, and good quality goods can really be produced at a fair price. 5) Based on the principle of unified planning and management by levels, the enterprise can only have a single "grandmother." The "grandmother" must assume full responsibility for the legitimate needs of the enterprise in supply and marketing and cannot be like the present situation, with decentralization of power at various levels and in various departments, with everyone managing but not really, with everyone asking the enterprise to carry out commitments, but with no one having the ability to solve all the problems that actually exist in the enterprise. In such a condition, it is very difficult to ask the enterprise to raise economic results by any great extent, and it is very difficult to find the person directly responsible in the upper level when problems appear in the market and the enterprise.

In putting stress on utilizing the role of enterprise management, we will unavoidably become involved with the relations among rules and regulations. In the past, because we have not properly handled the relations of the two initiatives of the central and local authorities on the question of centralization of central power and decentralization of local power, some of the comrades, when discussing the question of the future reform of the economic management system, invariably wanted to avoid the relations among rules and regulations. As a matter of fact, this is unnecessary as well as unrealistic, because, correctly utilizing the role of enterprise management will neither affect appropriately giving play to the initiative of the local authorities in developing socialist economy, nor hinder carrying out the reform of the whole economic management system. On the contrary, it can make the actions of laws and regulations more coordinated, and enterprise management can then be used to sort out economic relations and give an impetus to the reform of the whole economic management system.

#### Forms and Contents of Enterprise Management in Light Industry

Light industry is the principle department for producing daily consumer goods. There are 18 major categories of products and 44 principal trades under the management of the Ministry of Light Industry. Judging from the specific characteristics of each trade as well as the major problems existing in management at present, the forms and contents of management may, on the whole, be divided into the following major categories:

1. Exclusive rights to operate and sell, and all-round monopoly. This form of management is suitable for cigarette making, salt refining, and wine distilling trades. Organizationally, we must set up a supply, production, and marketing company with exclusive rights to operate and sell. The company, in addition to drawing up a unified plan for the development of the trade and handing down the annual production plan directives, must also cooperate with relevant departments in capital construction, introduction of technology, and manufacture of equipment, and exercise strict control and management in such areas as product standards, material consumption, domestic sale, and export trade. Enterprises may be directly managed by the company, and may also continue to be managed by the localities and other departments, but no matter what the subordinate relations may be, they must strictly implement the "monopoly ordinances" approved by the state, carry out the system of licensed production, and strictly forbid blind development and private operation.

2. Strict control and supporting key enterprises. This form of management is suitable for products with extensive sales but limited market capacity, such as components and higher technical demands, which requiring the organization of specialized cooperation on a bigger scale before they can solve the problems of mass production, product variety, quality, and costs.



The main task of enterprise management is to control the scale, ensure the quality, develop specialized cooperation, and improve the production technique of products as well as the adaptability of products to domestic and external markets. Because there are many departments producing such products, besides letting the relevant departments take charge of routine work, we must organizationally also set up an enterprise management committee with participation by the relevant production departments, and, based on the rules and regulations of enterprise management, discuss and examine such important matters as enterprise development plans, technical and economic policies, overall arrangements and layouts, major and minor construction projects, product technical standards, and plans regarding enterprise readjustment and specialized cooperation proposed by relevant departments. If necessary we can also set up trade associations with participations by enterprises in selected points to concretely implement the policies and measures determined by the enterprise management committee. Based on the needs of enterprise management in different products, we can also consider placing the product distribution rights, research, design, and product inspection mechanism of special-purpose material plants and key component plants under the direct control of relevant departments as the principal means of arranging production, developing technology, organizing cooperation, and ensuring product quality. At present, the scale of production of the old "three major products" -- bicycles, sewing machines, and watches -- is more than sufficient. Our focus of work should be to organize specialized cooperation centered on famous brand products in key cities, developing famous brand products, and reducing inferior brand products. The household electrical appliance trade is still developing, but because of scattered distribution, there are obviously too many factories. At present, the main task of enterprise management is to strictly control overall arrangements and layouts as well as major and minor capital construction projects. We must readjust and reorganize the existing enterprises and help the key enterprises carry out mass production and improve their level. We must control the development of other departments and urge them to gradually move into another line of production.

3. Organic management of industry and trade, and developing export production. This form of management is suitable for the handicraft and art trade, the canned food trade, and the ceramic trade. These trades must be separately organized into a production and management entity of industry and trade, and based on the constantly changing needs of the domestic and foreign markets, be specifically responsible for drawing up development programs, arranging set production plans, and organizing the development of new products and new techniques. They must also assume full responsibility for production standards, foreign investigation, market information, and product transaction, and increase variety, upgrade high-quality goods, and create more foreign exchange.

4. Appropriate control and management by levels. This form of management is suitable for some trades in light industry with more decentralized distribution of enterprises and a larger proportion of local production and sales. The main task of these trades in carrying out enterprise management is to unify the plans for development programs for the whole trade, set demands on the orientation of development and the overall arrangements and layouts of the trade in a certain period, and draw up and fulfill equipment policy and technical and economic policy. In order to fulfill the above task, we must distinguish the different conditions of various trades, adopt different management methods, pay special attention to the control of raw materials and production equipment or to mastering the technical standard of products. However, all these trades should centralize jurisdiction over examination and approval, strictly control product quality, and set the limits of benefits. At the same time, based on the needs of enterprise readjustment and reorganization, they must cooperate with the departments concerned to control the issue of production permits and set up normal production order.

5. Trade guidance and regulation by market mechanism. This form of management is suitable for some trades in light industry with a great variety of products and rapid changes in market supply and demand.

Some of these trades not only have commodities with great market demands, but they also have quite a number of small commodities produced and sold locally. Under the present situation, it is still necessary to let the relevant departments draw up a unified development program of a national nature based on product classification and make it known to the different provinces, municipalities, and autonomous regions. Under the guidance of unified planning, they can vary designs and colors based on market changes, but they cannot become separated from the projected path and develop blindly. As for the numerous small commodities that cannot be listed in the product planning catalogue, they can float up and down within a certain price range through regulation of the market mechanism.

#### Problems Related to Strengthening Enterprise Management

Strengthening enterprise management and giving play to the role of enterprise management are not tantamount to letting the relevant departments monopolize everything, permitting only the development of relevant departments, and not permitting the development of other departments. We should proceed from raising the economic results of the whole trade, carry out overall planning and rational distribution, and make appropriate arrangements by treating them all equally and without discrimination. The dividing lines of this principle are more or less as follows: 1) Trades that have basically balanced market supply and demand, regardless of whether within or outside the system, cannot add new points, and moreover, they must strictly control the scale of continuing the expanded production of existing enterprises. Enterprises that have developed blindly and resulted in surplus productive forces must, under the same technical and economic requirements, carry out an assessment of the existing enterprises one by one, and select the good and discard the bad. Those that are good should be issued production permits for continuing production. Those that are bad should have their licenses revoked, and should be ordered to move into another line of production within a stated time. 2) As long as other departments can quantitatively satisfy the needs of special-purpose and supplementary materials required by light industry, and can meet the processing and technological requirements of light industry in respect to variety, standards, and quality, the various trades of light industry must not carry out new construction. If they cannot satisfy the needs or meet the requirements of processing, we must allow the trades concerned in light industry to organize construction based on their own needs. For the sake of giving play to their technical superiority, the development of products in short market supply closely related to the production work of their own department by other departments under the unified plan of the trade should not be regarded as duplicate construction or blind development. 3) For the sake of raising overall economic results, any department in light industry making use of the "three wastes" to produce light industrial products should be supported and vigorously brought into the orbit of the trade concerned. However, taking advantage of the facilities of raw materials already possessed without taking into consideration social division of labor, proceeding wholly from arranging employment or acquiring profits, and setting up points for the production of products in the light industrial system should be regarded as duplicate set up of points and blind construction. Clarify these kinds of levers in principle is not only advantageous to utilizing the role of specialized division of labor, but is also advantageous to correctly giving play to the superiority and speciality of other departments.

To strengthen enterprise management, we must properly integrate administrative means with economic means and utilize the regulatory role of economic levers. Based on the needs of enterprise management, we must promptly lower the prices of highly profitable products that have seriously deviated from value, and appropriately raise tax rates and bank interest rates to prevent blind development. As for products that have made little profit for a long time, and even resulted in losses to many enterprises in the whole trade, we must promptly and appropriately raise prices, and also appropriately reduce taxes and interest to encourage these trades to develop as quickly as possible.

Under the premise of not affecting gross income, and based on the requirements of different trades to strengthen management in different periods, we must by means of prompt and concrete readjustment enable the profit margin of various trades be maintained at about the same level. Financial, banking, and commodity prices departments must constantly listen to the views of the trades concerned and help relevant departments to promptly solve problems of a policy nature appearing in enterprise management.

WANG ZHEN HONORS WANG JIAXIANG'S ACHIEVEMENTS

HK090409 Beijing RENMIN RIBAO in Chinese 4 Apr 84 p 5

[Article by Wang Zhen "In Memory of Comrade Wang Jiaxiang"]

[Excerpts] It was at the first national congress of the Chinese soviet in November 1931 that I met Comrade Jiaxiang for the first time. At that time, Comrade Yuan Desheng and I led the delegation from the Jiangxi-Hunan soviet area, and were provided with accommodations in the quarters of the Red Army's General Political Department during the meeting. Comrade Jiaxiang was then director of the General Political Department and was elected vice chairman of the Military Commission at the meeting.

After that, our direct contact became less frequent because each of us was busy handling military affairs and we did not work in the same base area. Comrade Ren Bishi was appointed secretary of the party committee in the Jiangxi-Hunan soviet area and political commissar of the Jiangxi-Hunan Military Region, and I was acting commander of the Jiangxi-Hunan Military Region. Comrade Ren Bishi knew Comrade Jiaxiang very well, and he told me a lot about Comrade Jiaxiang's personality. In late 1934, our Sixth Corps of the Red Army joined forces with the Second Corps of the Red Army, led by Comrade He Long. I learned a lot then about Comrade Jiaxiang from Comrades Guan Xiangying, Xia Xi, and Li Pu, who were well acquainted with him. From what they told me, I gradually discovered more about Comrade Jiaxiang's character, work style, and personality, and grew to admire him more.

In October 1936, after the three major forces of the Red Army effected a junction in northern Shaanxi, Comrade Jiaxiang went to the Soviet Union to receive medical treatment. He returned to Yanan in August 1938. At that time I was fighting at the front against the Japanese invaders. In September 1939, our 359th Brigade returned to the Shaanxi-Gansu-Ningxia border area as order. During the following days, I often reported on our work to Chairman Mao Zedong and Director Wang Jiaxiang and asked for their instructions. Thus, I had more opportunity to come into contact with Comrade Jiaxiang.

What impressed me most was Comrade Jiaxiang's noble character of modesty and prudence. He never concealed his faults or flaunted his achievements. From the Zunyi Conference to the anti-Japanese war period, Comrade Jiaxiang made outstanding contributions to the party's cause. He was a member of the nucleus of the party central leadership headed by Comrade Mao Zedong during this period, and he drafted some important documents for the party central leadership and wrote some important theses to explain the party's policies. His works played an important role in the formation and development of Mao Zedong Thought and in the winning of the overall victory in the anti-Japanese war. However, in our frequent contacts, he never told me about any of his meritorious service instead, he often mentioned his errors, shortcomings, and defects. For example, he once told me that he committed the mistake of following Wang Ming's "leftist" dogmatist line in the early 1930's. In fact, at the critical juncture of the revolution, he helped to bring about the convening of the Zunyi Conference, at which he resolutely broke with Wang Ming's "leftist" dogmatist line and firmly supported Comrade Mao Zedong's correct line. After the Zunyi Conference, he was a member of the three-member military leading group that exercised supreme leadership over the whole party and the whole Army.



However, he never told me about these facts. I did not learn about some of these facts until the latter stage of the "Great Cultural Revolution," when Chairman Mao mentioned them.

From the very beginning of the "Great Cultural Revolution," Comrade Jiaxiang was framed and persecuted by Lin Biao, Jiang Qing, and Kang Sheng, but Chairman Mao continued to protect him. After Lin Biao died on his way to turn traitor, Comrade Jiaxiang was summoned back to Beijing. I then talked with Comrades Chen Yun and Li Fuchun, saying that the central authorities should assign work to Comrade Jiaxiang because Chairman Mao had praised him many times. They both agreed with me. I went to see Comrade Jiaxiang and advised him to write a letter to Chairman Mao to report on his thinking to the chairman. Comrade Jiaxiang quickly finished writing his letter, in which he criticized his mistakes of carrying out Wang Ming's "leftist" dogmatist line in the early 1930's and said that he had "felt regret for this all his life." I handed the letter to Chairman Mao. In 1972, during the Third Plenary Session of the Ninth CPC Central Committee, Premier Zhou relayed a long passage of Chairman Mao's appraisal of Comrade Wang Jiaxiang. Now I can only remember the main points of these remarks: Comrade Wang Jiaxiang wrote a letter to me. As a veteran cadre, he only mentioned his mistakes and did not mention his meritorious services. This is estimable. We should allow him to restore his work quickly. He has rendered meritorious service. He was the first from the dogmatist group to come out to support me. Wang Jiaxiang's achievements outweigh his errors. In the three-member military leading group after the Zunyi Conference there was Wang Jiaxiang apart from you (referring to Comrade Zhou Enlai) and me. Thus, the military power was seized from Wang Ming and his followers. Chairman Mao also instructed that Comrade Jiaxiang be admitted into a former Central Committee member's study class run personally by Premier Zhao. I was glad to hear that Comrade Jiaxiang could come out to work. At the same time, I was deeply moved by his noble character of not concealing faults or flaunting merits of his own. I first asked Comrade Liao Chengzhi to tell him the news and then I also personally called on him and relayed Chairman Mao's appraisal of him. Comrade Jiaxiang was deeply moved when learning of all this.

Comrade Wang Jiaxiang contributed all his life to the Chinese people's revolutionary cause and the communist cause. Although he left us 10 years ago, his noble character, revolutionary spirit, and outstanding work style will always remain in our memory and will be emulated and carried forward by us.

#### PENG ZHEN VIEWS LEGAL SYSTEM FOR JOURNALISTS

OW090305 Beijing XINHUA Domestic Service in Chinese 1419 GMT 7 Apr 84

[By Reporter Li Shangzhi]

[Text] Beijing, 7 Apr (XINHUA) -- Peng Zhen, chairman of the NPC Standing Committee, called journalists in the capital to a forum held at the Great Hall of the People on the afternoon of 6 April to discuss how to strengthen and improve publicity about socialist democracy and the socialist legal system.

Peng Zhen said: The tasks of the party and the government during the new historical period in China are, to put it briefly, to achieve socialist modernization, develop socialist democracy, improve the socialist legal system, and build a highly civilized, democratic, socialist country on the premise of adhering to the four fundamental principles. Without successfully exercising socialist democracy and building up the socialist legal system, it is impossible to maintain a long period of order and stability and smoothly carry out the modernization program in our country.

He said: The communique of the 3d Plenary Session of the 11th CPC Central Committee pointed out that in order to safeguard people's democracy, it is imperative to strengthen the socialist legal system so that democracy is systematized and written into law in such a way as to ensure the stability, continuity, and full authority of that democratic system and those laws; there must be laws for people to follow, law must be observed, enforcement must be strict, and lawbreakers must be dealt with. The communique also pointed out that it is imperative to guarantee the equality of all people before the people's law and to deny anyone the privilege of being above the law. At a party Central Committee work meeting held prior to the plenary session, Comrade Deng Xiaoping stressed that it is necessary to have democracy systematized and written into law so that the system and laws will not be altered because of changes in leaders or in their views and attitude. Peng Zhen said: These statements summarize our experiences, both positive and negative, from the time of the liberated area and revolutionary base to the founding of the country. To maintain a long period of order and stability in our country, it is necessary to rely on a sound socialist legal system.

Peng Zhen said: During the period of revolutionary war, the party, the Army, and the masses paid attention to and relied only on the party's policy. Of course, there were laws in the revolutionary base under our regime, but they were limited and very simple. The situation has changed since the founding of the country, as we have a regime at the national level and there must be a legal system. It is necessary to gradually make the transition from doing things in accordance with policy to establishing and improving the legal system and doing things according to law.

Peng Zhen said: Newspapers and broadcasting stations, the mouthpieces of the party and government, as well as of the people, are important mass media because of their daily contacts with hundreds of millions of people. Then shoulder the heavy but glorious propaganda tasks entrusted by the party and the government. One of those important tasks is to publicize socialist democracy and the legal system. In improving the socialist legal system, it is necessary to ensure that there are laws for people to follow and that things are done in accordance with law. To provide laws for people to follow, it is necessary to strengthen legislative work. We have done a tremendous job and scored notable achievements in that field in recent years. Now we have a new Constitution in line with the requirements of China's socialist modernization program, along with a series of important laws. They are laws for us to follow. But it is necessary to continue and to strengthen legislative work as a number of important and indispensable laws are still in the process of formulation. To do things in accordance with the law, it is necessary first of all to firmly foster the legal concept among the broad masses of cadres and people in order to enable them to be familiar with laws already promulgated, consciously abide by and safeguard them, and cultivate a habit of doing things in accordance with law. In order to do a successful job in those two fields, special effort must be made so that every household is familiar with the law and everyone understands and abides by it. It is impossible to separate publicity from newspapers, news agencies, broadcasting stations, and publication departments.

Peng Zhen asked comrades attending the forum to express their views freely on not only strengthening publicity about the legal system, but also about the work of the NPC Standing Committee.

Then the participants spoke. They maintained that it is very important to strengthen socialist democracy and build the legal system. To intensify and improve publicity about socialist democracy and the legal system is a journalist's binding obligation. Many speakers pledged to make active efforts to fulfill that obligation. Discussing how to intensify and improve publicity, some comrades said: It is necessary to reduce, as much as possible, publicity that about mere concepts and articles and write lively and interesting reports on the legal system, things readers like to hear and see. The forum was held in a lively atmosphere.

Wang Hanbin, secretary general and chairman of the Commission of Legal Affairs of the NPC Standing Committee, responsible people from the press and publication departments, concerned editors and reporters in the capital, and responsible people from NPC departments concerned and the central political and legal affairs department attended the forum.

#### MINISTER VIEWS PROBLEMS IN FINANCIAL WORK

HK021532 Beijing ZHONGGUO XINWEN SHE in Chinese 0815 GMT 2 Apr 84

[Report: "Chinese Finance Minister Speaks on New Problems Emerging in Financial Work" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 2 Apr (ZHONGGUO XINWEN SHE) -- China will strengthen financial legislation. The law of budget, the law of accountancy, the law of capital construction investment, the rules and regulations on depreciation, and major taxation laws will be formulated as soon as possible after conducting investigations, working out plans, carrying out pilot projects, and undergoing legislation procedures. This was disclosed by Wang Bingqian, state councillor and minister of finance. HONGQI, No 7, published on 1 April, carries an article written by Wang Bingqian entitled: "New Problems Posed to Financial Work."

Wang Bingqian said that in the past, China's financial income accounted for a high percentage of the total national income, adversely affecting China's national economy. In recent years, however, the financial income accounted for an excessively low percentage of the total national income, standing at about 27 percent in 1981, 25.5 percent in 1982, and an estimated 26.6 percent in 1983. This is extremely disadvantageous to the current readjustment of the national economy and long-term development. He believes that the financial income should ideally account for 30 percent of the total national income and should on no account be lower than 28 percent.

Wang Bingqian stressed that in the state's revenue and expenditure China must adhere to the policy of "reaching a balanced revenue and expenditure and having some surpluses" and must not have deficit budgets. Having deficit budgets is a method capitalist countries often adopt. The financial deficits of some Western countries have now reached a surprisingly serious level, much to the detriment of their national economy and the people's livelihood. Socialist countries should not do this. Deficits mean expenditures exceeding revenues and are expenses without guaranteed income. On the whole, it is unavoidable that we occasionally had deficits in some years, but protractedly having financial deficits will inevitably result in increases in prices and confusion in production and circulation, and will also undermine planned economy and cause serious consequences.

In his article, Wang Bingqian demanded that all trades should raise economic results, expand financial income, pay attention to the way to use funds, properly use funds, guarantee key projects, strengthen the legal system, and perfect the financial system.

#### LIGHT INDUSTRY MINISTRY ISSUES NOTE ON QUALITY

OW100651 Beijing XINHUA Domestic Service in Chinese 0910 GMT 9 Apr 84

[By reporter Shi Baohua]

[Text] Beijing, 9 Apr (XINHUA) -- The Ministry of Light Industry issued a note today on the poor quality of Flying Pigeon brand bicycles made in Tianjin, calling on light industrial enterprises in various localities to immediately begin activities to improve production quality and rapidly change the situation in which some light industrial products of poor quality are being produced.



In early March this year, a consumer in Tianjin Municipality wrote a letter to a newspaper on the poor quality, which aroused the attention of the Ministry of Light Industry. Minister of Light Industry Yang Bo immediately wrote a reply letter, accepting the consumer's criticism. He also instructed the light industrial departments in Tianjin Municipality to tackle the issue of poor quality in the production of Flying Pigeon bicycles. In the past month, the Tianjin Municipality First Bureau of Light Industry has scored preliminary achievements in first tackling the problem of quality in the production of Flying Pigeon bicycles and then conducting checkups on the quality of all light industrial products.

The note pointed out: Inferior quality is currently a general issue in the production of light industrial products. The quality of some products known for their reliability and some name-brand products is deteriorating. This issue merits serious attention. It shows that some light industrial enterprises have not yet firmly established their thinking of wholeheartedly serving the consumers and that there remain many loopholes in the work of quality control.

The note said: Leading cadres of various light industrial enterprises must pay personal attention to the work of quality control and exert pressure on those enterprises with problems in production quality. When the quality of a name-brand product or a product known for its good quality deteriorates, the enterprise that turns out the product should be given a time limit to improve production quality. If it fails to measure up to standards before the deadline, it should be stripped of its high-quality title, and the facts about this should be made public.

The note emphatically pointed out: In order to ensure production quality, all light industrial enterprises must adhere to the policy of the "four do not's": Do not produce anything with inappropriate raw materials; do not use inappropriate semifinished products or inappropriate products turned out in coordination with another enterprise; do not let products that fail to meet standards leave the factory as products that have met standards; and do not include products that fail to meet standards in calculating production value and production output. If a product has left the factory and later faces quality problems, efforts must be made to take full responsibility in repairing, exchanging, or making a refund for the product. Prompt action must be taken in dealing with letters from consumers. When a consumer calls, he must be warmly received, and any issue presented must be promptly and properly dealt with.

#### VICE MINISTER URGES UPGRADING PRC RAILWAYS

HK090319 Beijing ZHONGGUO XINWEN SHE in Chinese 0827 GMT 6 Apr 84

[Report: "Li Xuan, Vice Minister of Railways, Puts Forth Four Measures To Speed Up Railway Building" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 6 Apr (ZHONGGUO XINWEN SHE) -- Li Xuan, vice minister of railways, advocates: To promote its railway building, China should walk on two legs and vigorously assist local authorities in developing local railways.

He maintains: The building of local railways should be brought into line with the state plan, and be assisted by the state. With the exception of those offshoot railways designed only for local use, the principal projects of local railways, which are to be linked with the trunk lines and liaison lines covered by the railroad network plan of the state, should be built in accordance with the technical standards prescribed by the state plan. The state should provide them with a certain amount of subsidy so that local railway building will be coordinated with the plan of developing the state railway network.

At present, the overall length of local railways in China is more than 6,200 kilometers. More than 2,500 kilometers have been turned over to the Ministry of Railways. Li Xuan expresses the above views in today's JINGJI RIBAO. He also proposes three other measures to speed up railway building in China: 1) quicken the steps of railway reforms and readjustment; 2) select rational technical standards to build new railways on the basis of investments by stages. The building should be gradually strengthened; and 3) build some narrow-gauge railways in light of local conditions.

Transportation and energy are weak links in China's four modernization programs. Li Xuan's article points out: At present, there are three main problems arising in railway building at home: Growth rate of railways and facilities has lagged far behind that of industry and agriculture as well as volumes of passenger and freight transport; main railway facilities were produced before the 1950's; and management is still on the level of 1950's. He stressed: We should vigorously carry out reforms, adopt advanced technology, and fully tap the potentials of the existing railways. He adds: We should quicken the steps of building new railways to complete, as early as possible, the grand project of building a railway network crossing the country in all directions.

#### SHENGLI OIL FIELD INCREASES CONSTRUCTION WORK

OW092026 Beijing XINHUA in English 1251 GMT 9 Apr 84

[Text] Jian, April 9 (XINHUA) -- A vigorous emulation campaign has unfolded in China's second largest oil producer, Shengli oil field, in Shandong Province.

Oil field officials said that they are striving to catch up with the present No 1 oil producer, the Daqing oil field, which produces 50 million tons of crude oil annually, by the year 1989, the 40th anniversary of the People's Republic of China. Shengli oil field produced 18.36 million tons of crude last year.

The oil field reported a new record of 5.01 million tons for the first quarter of this year, a 15.9 percent increase over the same period of last year. Oil field officials said that by the end of March, 99 new wells had been put into production, adding another 4,520 tons of crude a day.

Earlier last month, the oil field reported two new high-yielding wells. One produces over 3,600 tons of crude oil and 360,000 cubic meters of natural gas a day, the highest daily output since the oil field was opened 20 years ago. The other produces 1,100 tons of crude oil and 33,000 cubic meters of natural gas a day. Officials expect to open a number of other high-yielding wells with daily production capacity ranging from 100 tons to 1000 tons in two new exploration areas.

Drilling teams completed 24 test wells in 1984's first quarter and 19 of them showed good prospects. Now the teams have moved to a new area at Chengjia. Their objective is to drill 50 wells in the first half of this year.

While trying to locate new wells and new oil-bearing structures, officials said, efforts are also being made to increase output of the producing wells by bringing in new equipment and advanced technology. Officials said that a contingent of oil technicians has been trained in the use of imported equipment and instruments. New methods Shengli is using for oil exploration and development include a data bank network system and a computerized mapping system.

The adoption of high pressure jet drilling has helped raise efficiency by 30 percent, officials said. Hydraulic piston pumping, acidization, and other techniques have contributed much to increased oil output. A 1,000-ton well, at which production had stopped four years ago due to increased water and sand content, was put back into production on March 7. It produced 5,162 tons in March, averaging 206 tons a day.

"We are striving to make every well produce 10,000 tons of crude oil a year," Shengli officials said.

Of the 39 oil pools discovered in Shengli's 26,000-square kilometer field in the past two decades, 26 are now in production.

#### COMMENTARY ON RURAL BUILDING INDUSTRY

HK061453 Beijing ZHONGGUO XINWEN SHE in Chinese 0816 GMT 5 Apr 84

[Commentary by reporter Xu Hong: "Four Million Peasants in China Engage in Building Industry" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 5 Apr (ZHONGGUO XINWEN SHE) -- A new industry, the rural building industry, has rapidly developed in China. According to the latest statistics, some 4.21 million peasants in the country have separated themselves from working the land and are engaged in the building industry.

In Jiangsu Province, where rural commodity economy is the most developed, peasants were the first to develop the building industry. There are now a total of 550,000 peasant builders throughout the province, but it has been surpassed by Henan Province, which now has about 1 million peasants engaged in the building industry. In Shandong, Hebei, Jilin, Anhui, and Shanxi Provinces, peasants are also vigorously developing the building industry and the trend is increasing.

A great number of rural building teams have gradually developed into large collective enterprises with powerful strength. They have rid themselves of the backward situation of "one cleaver and two hands" in their early stage and now own various equipment for the building industry. Their building technology has continuously been upgraded and they are now able to contract for the construction of high-rise buildings. There are many such rural building teams. In building Nanjing's Jinling Hotel, the tallest hotel in China at present, about 70 percent of the builders were from rural areas.

The development of the rural building industry is by no means a fortuitous phenomena. There has existed for many years in China's rural areas a tradition of peasants being bricklayers and carpenters in slack farming seasons. In recent years, along with the implementation of the responsibility system in agricultural production and the development of the diversified economy, a great number of skillful craftsmen have emancipated themselves from agriculture and have had the opportunity to give full play to their skills.



Rural building teams have sprung up in various localities like mushrooms, which vividly indicates the further division of social labor in China's rural areas. No wonder authoritative persons describe the development of the building industry by peasants as "historical progress."

In the preceding stage, the rural building industry could not develop publicly. In some areas, peasants were not allowed to go to towns and cities to be builders and to contract for building projects in other provinces. Nearly every year, rural building teams were the targets of the movement for "sorting out workers employed beyond the plan." Their worktime was reduced or they were dismissed. As the CPC has now relaxed policies, the rural building industry has developed more vigorously, and has bright prospects.

It is reported that Deng Xiaoping, Hu Yaobang, and Zhao Ziyang praised rural building teams on different occasions. One team that received the special honor was the rural building contingent from Jiangsu Province, which is well-known throughout the country. Every year, some 100,000 peasants in Jiangsu Province go to other provinces to contract for building projects and their footprints can be found in 24 provinces, municipalities, and autonomous regions in the country. When inspecting Xinjiang's Karamay oil field, Zhao Ziyang conveyed his sincere solicitude to the peasants from Jiangsu who were carrying out a building project there. When inspecting the Shenzhen Special Zone, Deng Xiaoping also praised the Jiangsu construction company, which consisted mainly of peasants and which had completed an excellent model project, for its fast and good work.

Growing up in rural areas and working in cities, rural building teams do away with the practice of "eating out from the same big pot" and "iron rice bowls". Indeed, they are more capable of meeting new changes and are more competitive compared with those state-run construction enterprises that keep to the style of "official builders." Their experiences will promote the reform in China's building industry. Sources from the Ministry of Urban and Rural Construction and Environmental Protection, which is responsible for the country's building industry enterprises, said that there will be a major breakthrough in the employment system of the building industry. In the future, state-run enterprises will only contract for general projects to give full play to their superiority in capital, technology, and management, but the building tasks will be contracted for by rural building teams as much as possible. Even Beijing municipality where state-run construction enterprises have been dominant, will also welcome rural building teams.

#### ANSHAN STEEL COMPLEX UNDERGOES RENOVATION

OWO61017 Beijing XINHUA in English 0725 GMT 6 Apr 84

[Text] Shenyang, April 6 (XINHUA) -- An 880 million yuan (about 440 million U.S. dollars) renovation program is under way at the 66-year-old iron and steel complex in Anshan, northeast China. China's largest iron and steel center, Anshan underwent a large-scale reconstruction in the 1950's the first since it was built by Japan in 1918. The complex is to be fully modernized by 1995, following completion of the country's Eighth 5-Year Plan.

The current renovation program, which began in 1981, involves 133 projects designed to readjust product mix, improve quality, reduce consumption of power and materials, and improve the working environment.

Twenty of Anshan's 34 plants, transportation and power supply units are now being retooled in a drive involving more than 30,000 construction workers and several thousand engineers and technicians.

The projects include reconstruction of a cold rolling plant, the installation of computers in production processes and management, and the recycling of metal dust, residues, used water, steam and blast-furnace heat.

According to Anshan officials, 60 projects have been fully or partially completed over the past three years, at a cost of about 300 million yuan.

The completed projects have brought additional profits of 61.7 million yuan annually and saved 169,000 tons of standard coal. Output of cold rolled plates, nodular cast iron tubes, welded tubes and hot-rolled strip steel increased by 50,000 tons each a year, while output of coke has been raised by 100,000 tons, the officials said. In addition, more than 30 items of advanced technology have been adopted over the past three years. They included hard bitumen production process, coal powder spray in the blast process, and water screen cooling in the continuous hot rolling process, all claimed to be of advanced standards.

The complex produced 6.8 million tons of steel in 1983, about one-fifth of the national total.

#### GRAIN, EDIBLE OIL PRICES REPORTED LOWER

OW080138 Beijing XINHUA in English 1035 GMT 7 Apr 84

[Text] Beijing, April 7 (XINHUA) -- The prices of grain and edible oils in peasant markets in China were slightly lower in early spring of this year than the same season last year, according to the Ministry of Commerce. This was rare for this season of the year, the ministry said, when such farm produce used to be in short supply.

A survey of 197 rural and urban peasant markets across the country showed that the prices of rice, wheat, maize and soya bean averaged 0.52 yuan per kilogram at the end of February, about 5 percent lower than at the same time last year.

The average price of soya bean, sesame, peanut, rape and cotton seed oils dropped four percent to 3.38 yuan per kilogram.

Prices of grain and edible oils in some places were even lower, the ministry said. However, the prices of sorghum and dried sweet potatoes for making wine and vermicelli remained at the same level of last year.

The ministry attributed the price fall to an ample supply of such farm produce this year resulting from the consecutive good harvests over the past few years.

#### ULTRALIGHT AIRCRAFT POPULARIZED IN AGRICULTURE

OW080741 Beijing XINHUA in English 0654 GMT 8 Apr 84

[Text] Beijing, April 8 (XINHUA) -- An ultralight type of aircraft has become a much coveted item for Chinese peasants and agricultural units since the first was ordered by villagers of Liuzhuang in Henan Province earlier this year.

By April 5, 16 more had been ordered by plant protection, forestry and other agricultural units in Beijing, Inner Mongolia, Shenyang, Qinghai and Anhui, according to the Beijing Aeronautical Engineering Institute, the designer and manufacturer of the aircraft named "Bee 3". The ordered planes are expected to have all been delivered by June of next year. Besides, 43 more rural units in 16 other provinces, municipalities and autonomous regions have signed agreements with the institute for buying such aircraft.

The light-duty "Bee 3", which costs 19,500 yuan (about 9,750 U.S. dollars), is suitable for spraying pesticides and fertilizer and for aerial seeding to aid afforestation projects.

Measuring six meters long and 2.6 meters high, the plane is capable of carrying a maximum load of 100 kilograms and flying for 215 kilometers. It can also be used for aerophotographing, sightseeing and short-distance rescue operations. The Beijing Aeronautical Engineering Institute undertakes to provide two years of technical service for the buyers and to train pilots at the Beijing Aviation Sports School.

#### WHOLESALE FARM PRODUCE MARKETS EMERGING

OW092033 Beijing XINHUA in English 1452 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- More than 200 wholesale farm produce markets have appeared in China's big and medium-sized cities along with the fast growing commodity production in the rural areas. It has been difficult in recent years for state commercial departments or peasants' retail markets to purchase all the farm produce turned out particularly by specialized households for sale.

The new wholesale markets allow state owned purchasing units as well as collectively owned shops, individual business people, government canteens and restaurants to make large quantity purchases. A flexible market price policy is practised in these markets. Prices rise with scarcity of goods and drop as the supply improves. Sellers must have a license and pay taxes.

In a wholesale market in Guangzhou, on sale are eggs, meat, poultry, aquatic products, fruits and nuts, game, sea food, Chinese drugs, and flowers and plants from 21 provinces, municipalities and rural Guangdong. In Tianjin last spring the wholesale markets shipped 200 tons of garlic shoots and 15,000 tons of potatoes from Anhui and Shanxi Provinces, thus helping easing the seasonal vegetable shortage.

Information networks have been set up in some of the wholesale markets to learn about farm produce production in other places so as to arrange for transportation and to supply what the local people need.



STATE COUNCIL APPOINTS DIPLOMAT, COLLEGE PRESIDENTS

OW100435 Beijing XINHUA Domestic Service in Chinese 1458 GMT 9 Apr 84

[Text] Beijing, 9 Apr (XINHUA) -- The State Council appointed Maimaiti Niyazi [6314 6314 2251 1441 7161 1320] commercial counsellor of the PRC Embassy in the Republic of Turkey on 24 December 1983.

The State Council, on 9 March 1984, appointed Liu Hongren [0491 7703 0088] president of the Xinan Agricultural College; Wang Jiaxuan [3769 0857 3872] president of the Huabei Institute of Electric Power; Ding Shisun [0002 4258 1327] president of Beijing University; and Shi Weixiang [0670 4850 4382] president of the Xian Communication University, and removed Zhang Zhen from his office as adviser to the Ministry of Ordnance Industry.

The State Council appointed Lin Xiuan [2651 4423 1344] president of the Dongbei Institute of Heavy-Duty Machinery and Gu Shenggu [7357 4939 6253] president of the Hefei University of Technology on 22 March 1984.

NEW PEASANT YOUTH MAGAZINE ANNOUNCES PUBLICATION

OW071856 Beijing XINHUA in English 1223 GMT 7 Apr 84

[Text] Beijing, April 7 (XINHUA) -- Can I become better off by farming? How can I find an ideal spouse? How to raise earthworms? What kind of a rural house shall I design for myself? Young Chinese peasants with these and many other questions in mind are now able to find answers in RURAL YOUTH, a pocket-size magazine which has turned out 400,000 copies of a trial issue this month and will start regular publication in July.

The magazine, which comes off the press every two months, is the first of its kind catering to the 170 million young peasants. It is run by the Communist Youth League Central Committee and edited by the staff of the CHINESE YOUTH, a monthly with a circulation of 2.5 million.

With the recent rapid growth in agricultural production and improvement of the peasants' livelihood, there is an increasingly strong demand for scientific and cultural knowledge among the rural youth.

The 128-page trial issue has nearly 100 articles in some 20 columns ranging from rural policy explanation, self education, appeals from villagers, love and marriage to rural cultural life. In an article in the trial issue, veteran revolutionary Wang Zhen hopes the magazine will satisfy the young peasants' quest for knowledge, show them ways to get prosperous and provide them with entertainment.

The "Thousand Ways Towards Prosperity" column tells of young peasants' successes through raising livestock and fish, making brooms, growing mushrooms in sugarcane fields and collecting medicinal herbs.

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One article gives a detailed description of a prize-winning design of a rural house consisting of a sitting room, two bedrooms, a kitchen, a grain storage, a pigpen and a vegetable plot. There has been a house building boom in China's rural areas in the past few years.

#### Leaders at Tea Party

OW072338 Beijing XINHUA Domestic Service in Chinese 1250 GMT 7 Apr 84

[By reporter Li Guangru]

[Excerpts] Beijing, 7 Apr (XINHUA) -- Wang Zhen, a member of the Political Bureau of the CPC Central Committee, said at a tea party celebrating the publication of the first issue of NONGCUN QINGNIAN [RURAL YOUTH] journal today: We old comrades earnestly hope that the young generation will bravely shoulder the heavy burden of revitalizing China, display their skills to the full in the vast countryside, open up new paths and advance and become representatives of new productive forces, promoters of advanced science and technology, and builders of spiritual civilization. At present, there are 250 million young people in China. Of them, 170 million are rural youth, accounting for 68 percent of the total number of youth in China.

Also present at the tea party were Yan Jici, vice chairman of the NPC Standing Committee; Zhou Peiyuan, vice chairman of the CPPCC National Committee; Li Yuanchao, a member of the Secretariat of the CYL Central Committee; and Wang Liwei, a member of the Secretariat of the All-China Women's Federation. They extended their greetings to the journal and delivered ebullient speeches. The representatives of young peasants of suburban counties of Beijing also spoke at the tea party.

#### YAO YILIN, HU QILI VISIT MACHINERY EXHIBITION

OW091435 Beijing Domestic Service in Mandarin 1000 GMT 8 Apr 84

[Text] The first national commercial machinery exhibition sponsored by the Ministry of Commerce concluded today. It began on 27 March. More than 2,000 kinds of commercial machines were displayed which reflected the rapid development of China's commercial machinery industry in both quantity and quality and specifications. At the same time, this exhibition will provide useful experience and inspiration for the further development of the commercial machinery industry.

More than 150,000 people visited the exhibition, and transactions concluded there exceeded 60 million yuan. A production line for making noodles jointly developed by Guangdong, Shanghai, and Tianjin filled a gap in China. It is 60-percent cheaper than importing a similar production line. An electric oven manufactured in Yunnan Province is noted for its good quality and low electricity consumption. During the exhibition, which lasted for more than 10 days, orders for this type of oven exceeded 1.4 million yuan.

Yao Yilin, Hu Qili, Hao Jianxiu, Tian Jiyun, and other central leading comrades visited the exhibition. They praised the exhibition's success and noted that more exhibitions like it should be successfully held in the future.

NATIONAL RURAL BROADCAST WORK CONFERENCE OPENS

HK090341 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 7 Apr 84

[Text] The national conference on broadcasting work in rural areas opened in Luoyang this morning. (Ge Yuli), deputy director of the local propaganda work bureau of the Ministry of Radio and Television, announced at the conference that the situation in wire broadcasting work in rural areas had been improving. By the end of 1983, special rediffusion networks linking townships with counties have been built in 65 percent of the localities throughout the country; there are 90 million loudspeakers; the quality of broadcasting programs has been conspicuously improved; and 20 percent out of the 137 programs selected as outstanding programs at the national broadcasting program competition which just closed were produced by county broadcasting stations.

The tasks of this conference are to deliberate on how to implement in the rural broadcasting work the guideline laid down by Document No 37 issued by the CPC Central Committee in 1983 as well as other principles and policies concerned, and to exchange experience in rural broadcasting work, to make broadcasting work at the county level keep up with rural development and serve more efficiently the building of two civilizations in rural areas.

Present at the conference are 124 people, including responsible comrades in charge of rural broadcasting work from the radio and television departments and bureaus of 29 provinces, municipalities, and autonomous regions throughout the country; responsible comrades of certain prefectures and counties which have made outstanding contributions to developing broadcasting work in rural areas; and the directors of all prefectural and city radio and television bureaus in the province.

This morning's session was presided over by Comrade (Zhou Xinwu) of the Ministry of Radio and Television. Comrade (Ge Yuli) gave a report entitled "Conscientiously Implement Document No 37 Issued by the CPC Central Committee in 1983 and Work Hard To Create a New Situation in Rural Broadcasting Work." Comrade (Kang Zhongren), deputy secretary of the Luoyang Prefectural CPC Committee, and Comrade (Li Guangzhao), director of the Henan provincial radio and television department, addressed the session.

SHANGHAI PLANS EXHIBIT OF CHINESE SATELLITES

OW091301 Beijing XINHUA in English 1144 GMT 9 Apr 84

[Text] Shanghai, April 9 (XINHUA) -- Two operational mockups of man-made earth satellites will be displayed at an exhibition in Shanghai next month. One is mockup of the country's first satellite, launched on April 24, 1970, which broadcast the music of "Dongfanghong" ("The East Is Red"), and the other is the scientific experiment satellite launched on March 3, 1971. The two satellites are already in Shanghai.

The exhibition of more than 1,200 scientific results is sponsored by the Ministry of Astronautics. It will be at the Shanghai Exhibition Hall between May 10 and June 10. Technical exchanges and film shows on astronautics will be held during the exhibition.



JIANGSU SETS UP FAMILY PLANNING COLLEGE

OW060925 Beijing XINHUA in English 0904 GMT 6 Apr 84

[Text] Beijing, April 6 (XINHUA) -- A two-year college to train family planning administrators is being set up in Nanjing, Jiangsu Province and will enroll its first students in 1985.

The purpose, according to the State Family Planning Commission, is to give family planning administrators above the county level the opportunity to raise their educational level to that of junior college graduate. The college will also train teachers of family planning from all parts of the country. Audio-visual training programs will be developed by the college and short-term training courses will be offered to keep cadres up to date in their field. The college will be under the joint leadership of the State Family Planning Commission and the Jiangsu People's Government.

China considers its family planning policy a fundamental one as the country is trying to reduce the natural birth rate and keep its population within 1.2 billion by the end of the century.

AGRICULTURAL, FORESTRY EDUCATION TO BE EXPANDED

OW081325 Beijing XINHUA in English 0749 GMT 7 Apr 84

[Text] Zhengzhou, April 7 (XINHUA) -- China will expand the higher education in agriculture and forestry, said Huang Xinbai, minister of education at a national conference which opened here yesterday.

He pointed out that the development of agricultural and forestry junior college education with a two or three-year course aims at keeping pace with the present changes in China's countryside. Efforts will have to be made to speed up the reforms and readjustments and intensify the training of teachers, he added.

In his speech, Yang Zhongyang, vice-minister of agriculture, animal husbandry and fishery, pointed out that with the agricultural economic structure changing, different kinds of talents are badly needed in rural areas. He hoped that agricultural and forestry education will make headway.

The conference, sponsored by the Ministry of Education, the Ministry of Agriculture, Animal Husbandry and Fishery, and the Ministry of Forestry, will discuss reforms in China's agricultural junior college education. Representatives from agricultural and forestry universities and colleges and from provincial agricultural bureaus throughout the country attended.

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China now has 60 agricultural universities and colleges with more than 70,000 undergraduates and some 2,000 postgraduates. Over the past few years, 668 agricultural postgraduates have finished studies and 342 of them have received master's degrees.

Investment in agricultural education has increased gradually since 1978, and the Ministry of Agriculture, Animal Husbandry and Fishery has decided to spend 35.4 percent of its capital construction investment on education this year, the highest percentage of any ministries.

#### STUDENTS PARTICIPATE IN WORK-STUDY PROGRAMS

OW050827 Beijing XINHUA In English 0745 GMT 5 Apr 84

[Text] Beijing, April 5 (XINHUA) -- More than 553,000 primary and middle schools in China organized their students to take part in some kinds of work last year. The figure is 21.5 percent more than that of 1982, according to the Ministry of Education. The purpose is to give the children a correct attitude towards labor and to acquaint them with some production skills.

The ministry said 100.7 million students took part in such production last year, making an income of 730 million yuan.

The measure is all the more practicable in rural areas where the local governments specially allotted fields to schools for experiment in scientific farming. School-run farms and forestry farms last year covered an area of 480,000 hectares, an 80 percent increase over 1982. They reaped an income of 280 million yuan. Factories run by schools turned out an industrial output value of 2,140 million yuan with a profit of 440 million yuan.

A ministry official said that the money earned from the program are mainly used for books and improving school facilities including teaching and sports equipment.

#### TRADE UNION FEDERATION ISSUES LABOR DAY CIRCULAR

OW051031 Beijing XINHUA Domestic Service in Chinese 1231 GMT 4 Apr 84

[Text] Beijing, 4 Apr (XINHUA) -- The All-China Federation of Trade Unions yesterday issued a circular marking Labor Day, calling on trade union organizations at all levels to mobilize staff members and workers during Labor Day celebrations to turn their patriotic spirit into action, by dedicating themselves to the service of their country, and achieving fine results in promoting spiritual and material civilization.

The circular said: Celebrations for this year's Labor Day must be linked with the propaganda for ushering in the 35th anniversary of National Day. It is necessary to inspire national enthusiasm and patriotic zeal, review achievements in construction, and boost people's morale to go all out for the four modernizations. It is necessary to carry out reading and speech-making activities among staff members and workers, eulogizing the great motherland as the main topic, to strengthen staff members and workers' revolutionary sentiments in understanding and loving China.

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It is necessary to organize staff members and workers to call on revolutionaries of the older generation, and pay a visit to martyrs' mausoleums, memorial houses, and other revolutionary sites. It is necessary to invite veteran party members, cadres, model workers and workers to recount our glorious traditions. It is necessary to launch colorful mass cultural and sports activities for Labor Day, and organize friendly activities with foreign nationals or organizations.

The circular emphatically said: In celebrating Labor Day, we must adhere to the principle of seeking truth from facts. It is necessary to elaborately organize and pay attention to practical results. Activities at grassroots units must take actual conditions into account. These units must act according to their capability. It is necessary to prevent formalism, extravagance, and waste. It is necessary to avoid burdening staff members and workers with heavy loads.

#### FIVE PROVINCES SUCCEED IN MALARIA PREVENTION

OW050855 Beijing XINHUA Domestic Service in Chinese 1424 GMT 4 Apr 84

[By reporter Dong Ying]

[Excerpts] Hefei, 4 Apr (XINHUA) -- According to an experience-exchange and commendation meeting on the occasion of the 10th anniversary of the joint campaign for the prevention of malaria in Jiangsu, Shandong, Henan, Hubei, and Anhui, which concluded in Hefei on 4 April, the incidence of malaria in the five above-mentioned provinces in the past 10 years has dropped from 1974's 13.99 million patients down to 1983's 1.06 million patients. The reduction rate is 92 percent.

Since Jiangsu and the four other provinces engaged in joint prevention work, they have run various technical training classes for 180,000 malaria prevention workers. Armed with professional knowledge, these people have actively engaged in malaria-prevention work for the 300 million people in the vast urban and rural areas covering nearly 700,000 square km in the five provinces.



ZHEJIANG CONTINUES PARTY RECTIFICATION WORK

OW100451 Hangzhou Zhejiang Provincial Service in Mandarin 1030 GMT 8 Apr 84

[Text] Provincial-level organs have achieved initial results in studying documents and correcting mistakes while carrying out party rectification over the past 4 months. Beginning next week, they will enter the comparison and examination phase one after another.

The provincial party committee's group for guiding party rectification held a meeting of responsible persons of provincial-level organs on the afternoon of 7 April, at which specific views were stated on the comparison and examination phase of party rectification in the provincial-level organs.

The meeting pointed out: To ensure the success of party rectification, it is necessary to guard against perfunctoriness in each phase of party rectification. Guarding against perfunctoriness in the comparison and examination phase is the key to accomplishing the task of party rectification in an all-round way. Therefore, we must pay close attention to comparison and examination and do the work well in this regard.

The meeting called for doing work well in the following three aspects before entering the comparison and examination phase:

1. It is necessary to continue the serious study of documents on party rectification.
2. It is essential to do thoroughgoing and painstaking ideological work and to create a democratic atmosphere in which people dare to speak their minds. Leaders should act as ordinary party members and take the initiative in holding heart-to-heart talks with party members; party members should also hold such talks.
3. The party organizations of all units should have a clear understanding of each party member's thinking and political views and grasp the problems party members should particularly solve in the comparison and examination phase. Thus, party organizations will be able to make an accurate assessment of each party member and have a clear understanding of him.

The meeting laid down basic measures for the comparison and examination phase. It will generally take about 2 months to make comparison and examination as well as criticism and self-criticism. In the course of comparison and examination, leading party cadres, especially the top two leaders, should set an example. Comparison and examination should be made from top to bottom, first in leading bodies and among leading cadres and then among the masses of party members.

In this phase, all units must carry out reforms and do their work well while carrying out party rectification. It is necessary to take effective measures to rectify the irresponsible bureaucratic practice of taking advantage of one's power to seek personal gains and to tackle outstanding problems affecting the effort to bring about a new situation in work. Vigorous efforts should be made to investigate and verify the three types of persons, those who obstinately resist the party Central Committee's lines laid down since the 3d plenary session of the 11th party Central Committee, those who commit serious economic and other crimes, and those who are serious violators of law and discipline, in order to make preparations for taking organizational measures against them in the next phase.

In his speech at the meeting, Chen Fawen, deputy secretary of the provincial party committee, expressed his views on several questions to which attention should be paid in the course of comparison and examination. He also discussed the plan for making comparison and examination by the Standing Committee of the provincial party committee as well as problems to be tackled in several aspects. He called on provincial-level organs to actively help the provincial party committee do a good job in making comparison and examination.

A comrade of the liaison group of the Central Commission for Guiding Party Rectification stationed in Zhejiang also addressed the meeting.

ZHEJIANG'S WANG FANG ON PARTY RECTIFICATION WORK

OW100011 Beijing XINHUA Domestic Service in Chinese 0735 GMT 8 Apr 84

[By reporters Fu Shanglun and Ma Li]

[Excerpts] Hangzhou, 8 Apr (XINHUA) -- A lively and down-to-earth atmosphere has emerged in the party rectification of the Zhejiang Provincial CPC Committee and other provincial-level departments in the past month: In accordance with the nine major aspects of the collective proposal for creating a new situation in the work of the entire province, the members of the Standing Committee of the provincial CPC Committee and vice governors have personally taken part in selecting their own topics for investigation and in carrying out party rectification simultaneously with reforms. More than 150 leading cadres of the various departments are leading more than 100 investigation teams, composed of more than 1,400 cadres, to basic-level units to investigate major problems with guiding principles for work in their respective departments and to formulate on the basis of investigation plans for party rectification and reforms.

This new atmosphere has emerged on the basis of conscientiously studying the CPC Central Committee's series of important directives on party rectification and on the basis of further ideological unification.

On the basis of ideological unification, the Standing Committee of the provincial CPC Committee discussed the nine major problems that affect the creation of a new situation in the work of the entire province and designated personnel responsible for investigating and solving these problems. Wang Fang, secretary of the provincial CPC Committee, and Vice Governor Shen Zulun concentrated on investigating the implementation of CPC Central Committee Document No 1 of 1984, the stabilization and improvement of the contract responsibility system linking remuneration with output, the clearing of circulation channels and the vigorous development of commodity production in the rural areas. Combating resistance against the construction of small hydroelectric power stations, Xue Ju, deputy secretary and vice governor, investigated and solved a number of problems on disputes over trifles that had led to procrastination in overcoming difficulties. With development of the microelectronic industry and science and technology as their major aim, Vice Governors Wu Minda and Li Debao studied new ways of raising economic results, promoting education in science and technology and training talented personnel. Wang Weicheng, member of the Standing Committee of the provincial CPC Committee and secretary general of the Standing Committee, concentrated on the question of reform of the economic structure. Zhang Zhaowan, member of the provincial CPC Standing Committee and vice governor of Zhejiang, was responsible for formulating Zhejiang's Seventh 5-Year Plan and for defining economic development orientation for the province after making investigations. Luo Dong and Shen Guifang, members of the Standing Committee, separately studied how to strengthen the building of spiritual civilization, step up education on ideology and workstyle among new cadres and enhance the role of veteran comrades who had retired to the second and third lines.

After more than 1 month of investigations into the nine topics set forth by the provincial CPC Committee, some breakthroughs have been made; in some areas, plans for party rectification and reforms are being drafted, whereas in other areas explorations are continuing. The more than 100 investigation teams of the provincial-level departments have also solved a large number of problems and, through investigation and study, have uncovered in their respective departments other major problems in working methods, leadership style and the guiding principle for work.

This enabled them to plot the direction for party rectification and reforms. Through investigation and study, the provincial planning and economic commissions have decided on the following three goals in their work: 1) The focus of work should be shifted from mainly handling specific administrative matters to studying major strategic questions and from giving priority to annual plan and second place to the 5-year plan to giving priority to the 5-year plan and second place to the annual plan; 2) The working method should be shifted from planned management whose main feature is traditional mandatory planning, to planned management of variegated and multilayered forms that suit the new situation of economic development; 3) Workstyle should be shifted from mainly doing superficial work to conducting investigations and study in the light of reality.

#### ZHEJIANG REGULATES URBAN COLLECTIVE INDUSTRY

OWO82355 Hangzhou Zhejiang Provincial Service in Mandarin 0400 GMT 8 Apr 84

[Text] After studying the reform experience of the Haiyan County shirt factory and other plants, the Zhejiang Provincial CPC Committee and Provincial People's Government have formulated a 10-point regulation for the urban collective industry and economy. The regulation was issued to various localities and organizations for study and will be implemented on 6 April.

The regulation stipulates: Urban collective industrial enterprises have the power of decision regarding production and operation. They should actively promote technical progress and personnel training and improve backward production technology. They should practice democratic management and reform their cadre management system. They should adhere to the principle of voluntary participation and reform the existing labor system. They should be independent accounting units, assuming sole responsibility for their profits or losses. They should adhere to the principle of to each according to his work and overcome egalitarianism. No limits should be set to the bonuses issued to workers and staff. Local party committees and governments should firmly strengthen their leadership over the urban collective industry.



REFORMS TRANSFORM GUANGDONG'S SHEKOU DISTRICT

HK061327 Beijing RENMIN RIBAO in Chinese 2 Apr 84 p 2

[Article by Huang Zhenchao: "Shekou Is Advancing With Giant Strides in the Course of Reform"]

[Text] Less than 2.5 square kilometers in area and after only just over 4 years of development, the Shekou industrial district 30 kilometers from Shenzhen City has made profound changes through reform at a pace that is both inspiring and thought-provoking.

As early as 1979, when the Hong Kong China Merchants Steam Navigation Company -- an organ of our Ministry of Communications stationed in Hong Kong -- settled on this place, separated only by a stream from Hong Kong's satellite city of Yuan Long, for building an export processing area, there was only a stretch of deserted beach and barren hills with just a few rickety fishermen's hovels there at the time. Now what greets our eyes is a vast stretch of level ground on which stand one factory building after another, blocks of residential housing, and row upon row of villas, with roads leading in every direction. An open door policy and a good investment climate have paved a broad path for the development of the industrial district. According to statistics, it has in the past 4 years or so signed more than 80 agreements with the United States, Japan, Britain, Denmark, New Zealand, and other countries and with businessmen of Hong Kong and Macao to obtain foreign investments and technology, with the investment amount totalling more than 1 billion Hong Kong dollars. Included are 61 joint venture projects and 11 independently financed projects. More than 51 projects have so far been completed and can go into production or operation, with several tens of varieties of products turned out and sold to various parts of the world, including paints, rolled steel, rolled aluminum, electronic products, foodstuffs, and toys. The Shekou of today has initially shaped up into a new rising industrial district that combines industry as its main product, along with the comprehensive development of commerce, communications, transportation, and tourism.

Why is it possible that the Shekou industrial district has experienced such major change in a short period of 4 years? The main reason is that the leadership here has continued to emancipate the mind and persisted in making reforms.

#### Emancipate the Mind and Boldly Seek Foreign Investments

Since the 3d Plenary Session of the 11th CPC Central Committee, a new attempt has been made to follow an open door policy and start a special economic zone. As the Shekou industrial district led the way, it was especially necessary for it to emancipate the mind and break with stereotypes or fixed patterns in attracting foreign investments. Based on the guideline that calls for focusing on industrial development, energetically luring foreign investments, combining joint efforts at home with the introduction of foreign technology, and seeking comprehensive development, the industrial district put forth three measures to stimulate foreign investment: 1) Energetically try to offer favorable terms and good service, so that enterprises with foreign capital can develop successfully; 2) Use unusually favorable terms to attract advanced foreign technology, and at the same time restrict the import of those general items involving imported materials for processing, compensatory trade, and equipment or technology which is too outdated or backward and which is competing with the state for export quotas; 3) Carry out agreements and fulfill contracts, and protect the legitimate economic rights and interests of foreign businessmen. These measures have stimulated the import of foreign technology. In the 2 years 1980 and 1981, contracts were signed for 24 imported projects. In 1982, contracts were signed for 15 more. The number of imported projects contracted for last year rose to 40.

Imported projects have gradually developed from small-scale and labor-intensive ones at the outset to technology-intensive and capital-intensive ones. According to statistics provided by 13 enterprises, of 67 sets of technology and equipment imported, many were at the levels of the 1970's and the 1980's, 3 at the advanced world level, and 37 at the advanced domestic level. Many joint-venture and independently financed factories were built rapidly, and good operation results were noted. The monthly output of the Japan Sanyo Electric Engineering (Shekou) Company Limited, which started trial production in July last year, increased 10 times in 4 months. The Huayi aluminum factory had fulfilled its production assignment for 230 tons of rolled aluminum 8 days ahead of schedule in December last year, with the quality of circular aluminum sheets meeting the Grade 1 standard. The Kaida toy factory, the Haihong paint works, and other joint venture enterprises showed very good operation results and very quickly recovered part of the money invested. Many foreign businessmen, finding that their rights and interests are given protection, have shown greater confidence in making investments. Some of them are prepared to increase their amount of investment.

#### Deepen the Reform of Systems Step by Step

The Shekou industrial district is run by an enterprise, the China Merchants Steam Navigation Company, which is vested with full power. It is not only part of the Shenzhen Special Economic Zone but also an economic entity with relative independence. This economic entity not only takes charge of the production and construction of all the joint venture and independently financed enterprises and the enterprises directly under it, but runs commercial and communications undertakings, schools, and hospitals. The organ of the industrial district directing operations is made up of only 60 or 70 people. Thanks to reforms involving various regulations and systems, the elimination of the state of "government administration and enterprise management" not being separate, and the streamlining of the administrative structure, everyone is able to manage on his own and to take charge. Work efficiency has been greatly raised. Production and construction in the industrial district has proceeded in an orderly manner.

To break the bonds of the existing economic system practiced at home, and to establish a new one that calls for being oriented toward the international market and acting according to economic laws -- this bears on the future of the special economic zone. Reform was difficult. But the absence of reform made it all the more difficult to carry on. The China Merchants Steam Navigation Company's involvement in the reform of systems was a bold attempt. Shortly after the establishment of the industrial district, in this stretch of barren land, a command group consisting of only 20 or 30 people started capital construction in an all-round manner. In September 1981, in light of the new situation marked by a switch in our main tasks from capital construction to the negotiation of imported projects and their construction, the industrial district quickly readjusted and reformed the administrative structure. Last year, starting on the basis of existing organs, it again carried out overall consolidation and readjustment. Thus, this relatively perfect management system of today has been formed -- which calls for a division of labor at the party, government, and enterprise levels. Apart from the establishment under it of such functional organs as an office, a department in charge of enterprises, a construction planning department, and so forth, the supreme policy-making production and construction administrative committee of the industrial district has 13 specialized companies concerning real estate, Hong Kong affairs, the supply of electricity, the supply of water, and so forth. The offices in charge of general affairs under the party committee are also highly efficient. In the establishment of organs, the Shekou industrial district does not follow the method of matching organs at higher and lower levels, as practiced in inland China.

Instead, based on reality and guided by the principle of simplified administration and high efficiency, it seeks continuous perfection in practice.

The administrative committee is an authority in command of the production and construction efforts of the whole district. In regard to the acceptance of investments and technology from abroad, it can on its own clinch a deal in line with the needs of given enterprises and special policies laid down. There is no need to refer to organs at all levels for instructions. The 13 companies set up under the industrial district all have specific functions and are vested with power. They can handle business operations and administrative matters independently and in a responsible manner. There is no need to refer all matters, important or unimportant, to organs at all levels for approval.

#### Introduce the System of Publicly Employing Cadres and Workers

To better use talented people and give full play to workers abilities, the Shekou industrial district has persistently carried out reforms in the cadre system. Reforms first started with the leading group at the level of the industrial district. In November 1982, in response to the call for a staff that is revolutionary, younger, knowledgeable, and specialized, and after thorough investigation into relevant cadres backgrounds, a public opinion poll and examination and approval by relevant organizations or departments, the leading group of the party committee of the industrial district and the administrative committee was established. The leading cadres of the group had an average age of 46.2 years. The whole leading group was quick-witted and capable and had power vested in them. Concerning leading cadres at the company (department) level, a switch was made from the previous appointment system to one of employment offered publicly. A break was made with the bonds of the practice of ranking or rating people according to seniority and the lifetime tenure cadre system. The joint venture enterprises and independently financed foreign factories generally adopted the manager (factory head) responsibility system under the leadership of boards of directors. The operation guidelines of enterprises, production and financial matters, sales, personnel matters, and so forth were all left to the discretion of the boards of directors, which were charged with full power.

The workers of all enterprises of the industrial district are openly recruited through examinations and are carefully selected for employment. Those workers employed must sign contracts with the relevant enterprises. At present, 70 percent of all the workers of the industrial district are in the category of contract workers. They are not holding "iron rice bowls." Technical personnel and general workers can leave their jobs as they like without being involved with "enterprise ownership." For their part, enterprises can also lay off or dismiss workers after carrying out certain procedures. Given 3 months' pay as severance pay, those workers laid off or dismissed can try to find work elsewhere. Unemployment is unheard of here.

#### The Wages and Housing System Differs From That in Inland China

High production efficiency is matched with an appropriate increase in wage. An increase in wages in turn stimulates an improvement in production efficiency. The force at work is the reformed wages system. The wages reform of the Shekou industrial district was generally divided into three stages: 1) Before 1981, it was a system of basic wages plus allowances, and actually the state of "eating from the same big pot" and "egalitarianism" had still not been eliminated; 2) In the period from 1981 to October 1983, the "1 plus 1.15" formula was followed. This meant industrial district wages with equaled 1.15 times basic wages added to basic wages. Such an approach did away with quite a large number of factors responsible for "egalitarianism" and played a positive role.



But there remained many defects in the existing wages system practiced in inland China; 3) Since October last year, an overall reform in the wages system has been carried out. The formula followed by enterprises directly under the industrial district is: basic wages (wages in the original grade), plus post and duty wages, plus floating wages equal workers wages. Basically the same wage system is followed for workers of joint venture and independently financed enterprises.

The average level of workers wages after reform is 170 yuan. It is made up of 30 percent floating wages and 35 percent of each of the other two parts. The workers floating wages are directly linked to the operation results of enterprises and their own contributions toward work. Such wages are not fixed and have no limit. This has further aroused the workers' enthusiasm.

The method of running and managing workers' housing in the Shekou industrial district calls for an equal emphasis on adhering to the socialist commodity economic principle and safeguarding workers' basic welfare. The principle for computing rent requires a rational shortening of the period for recovering the investment in the building of housing, and calls for a relatively big increase in rent.

At present, the monthly rental charge for each square meter of built area is 0.7 to 0.8 yuan. Meanwhile, further exploration is being made to gain experience in improving housing management and housing operations, so that workers can be encouraged to buy houses on special terms. Some workers have already started buying houses on the basis of payment in full, or by paying in installments.

To draw on foreign capital and import technology calls for an overall reform. The aim of reform is to make better use of foreign capital and imported technology. Shekou is the first industrial district set up in the special economic zone of Shenzhen. It has not followed any model. Only by adhering to the principle of doing things in special ways in a special zone, doing new things in new ways, following completely new methods and remaining firm in stand, and by emancipating the mind and boldly creating the new, can it have marched forward. After careful observation and analysis, visitors to the Shekou industrial district today must feel that Shekou's experiment has shown the importance of reform. They also see hope, which has its roots in reform.

#### GUANGDONG'S LIANG XIANG INTERVIEWED ON FORUM

HK090920 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 9 Apr 84

[Text] Our province's representatives to the forum on coastal cities development returned from Beijing to Guangzhou yesterday afternoon. Our province's representatives participating in the forum included Wu Nansheng, provincial CPC Committee secretary; Liang Xiang, vice governor and Shenzhen City mayor; Liang Guangda, acting mayor of Zhuhai City; and responsible comrades of [words indistinct] and the Hainan commissioner's office. Our reporter visited Vice Governor Liang Xiang. The following is a recorded interview with the vice governor:

[Begin recording] [Reporter] Comrade Liang Xiang, you have just returned to Guangzhou from Beijing after attending the forum. Would you please tell us your impression of the forum on coastal cities development?

[Liang Xiang] I think this central forum on further implementing the policy of opening to the outside world in coastal cities is very important. In the forum, Comrade Deng Xiaoping and Comrade Li Xiannian took a group photograph with the participants, and Comrade Hu Yaobang and Comrade Zhao Ziyang personally participated in the forum through to the end.

Other central leaders, except those comrades who were traveling abroad or were engaged in other matters, also attended the forum. Thus, it can be seen that the central authorities indeed attached great importance to the forum on coastal cities development. The 14 coastal cities' opening to the outside world means the implementation of a further open-door policy.

[Reporter] Our province's Guangzhou and Zhanjiang are among these cities to be opened to the outside world.

[Liang Xiang] Oh yes, two cities among the fourteen are in our province -- Guangzhou and Zhanjiang.

[Reporter] Could you give us your opinion on how to build the special economic zone after the model of the four display windows in the future?

[Liang Xiang] There is still a wide gap between our achievements and the requirement of the four display windows laid down by the central authorities, namely, the display windows of technology, management, knowledge, and the open-door policy. Therefore, in building the special zone, we must correct our pace and do a better job. According to this requirement, we have to work still harder, cautiously, and conscientiously, and be modest and prudent. We must transmit and implement this guideline laid down by the central authorities. We will conscientiously carry out the work in light of the situation in the Shenzhen Special Economic Zone, make more efforts to seek unity of thinking, and to further bring the masses' initiative into play, so as to make the special zone more prosperous.

[Reporter] Thank you very much. [end recording]

#### HENAN TRADE DEPARTMENT UNDERGOES RECTIFICATION

HK090908 Beijing RENMIN RIBAO in Chinese 5 Apr 84 pp 1, 2

[Report by Zhu Xihua: "Promote the Simultaneous Rectification and Correction of Defects by Starting With the Investigation of Economic Problems"]

[Text] CPC Central Discipline Inspection Commission's note: Problem in the Henan Provincial Foreign Economic Relations and Trade Department are very serious. Some leading cadres have been taking advantage of the office for personnel gain, and the practice of bureaucraticism is very serious. In foreign economic activities, some party members and cadres have been violating discipline when handling foreign affairs. They have damaged the interests of the state, lost their national and human dignity, and have even committed crimes. These problems are comparatively common in the foreign economic relations and trade system. The Henan Provincial CPC Committee is treating the foreign economic relations and trade department as a breakthrough point in party rectification among organizations directly under the provincial authorities. Starting with the investigation of economic problems, the Central Discipline Inspection Commission and the work team of the Henan Provincial Discipline Inspection Preparatory Group are firmly grasping, thoroughly investigating, and seriously dealing with the economic problems which are strongly complained about by the masses and which cause the greatest harm to the state. At the same time, the two parties are mobilizing the masses to carry out simultaneous rectification and correction of defects in the light of party rectification; and they have scored initial successes in a rather short time. The Henan Provincial Discipline Inspection Preparatory Group's work team and the provincial foreign economic relations and trade department's party group are determinedly grasping the work firmly and investigating thoroughly. Their practice is feasible. [end note]

In the investigation of economic problems, the Henan Provincial Foreign Economic Relations and Trade Department has promoted the implementation of simultaneous rectification and correction of defects, and has created a good situation in party rectification work.

Following the implementation of the policy of opening to the world, the Henan Provincial Foreign Economic Relations and Trade Department has caused the state to suffer heavy economic losses due to unhealthy party workstyle, bureaucraticism, and using one's office for personal gain. By the end of last year, the Central Discipline Inspection Commission and the Henan Provincial Discipline Inspection Preparatory Group sent a work team to the department. Early this year, the provincial CPC Committee Standing Committee and the Henan liaison team of the Central Commission for Guiding Party Rectification listened to a report by the work team. The provincial CPC Committee also decided to treat the foreign economic relations and trade department as a breakthrough point in party rectification among organizations directly under the provincial authorities, and put forward the working principle of integrating the investigation with party rectification.

The problems in the Henan Provincial Foreign Economic Relations and Trade Department are very serious. Some party members and cadres have sacrificed principled behavior to personal gain when dealing with economic activities, causing heavy losses to the state. A former member of the party group forsook principles when he signed an agreement with a foreign investor, as he had accepted a "gift" from the investor. As a result, China suffered a loss of more than 3.4 million yuan. Also, cases of violating regulations on foreign trade management have frequently occurred in importation.

As some leading cadres have indulged themselves in bureaucratic workstyle, they have left the problem of confusion in the management of their subordinate companies unsettled over a long period time. As at the end of November last year, that provincial department still had not recovered some 10 million yuan of payment for goods from overseas buyers. Over the past 4 years, the department has lost as much as over 10 million yuan of property; and there were 46 cases of making compensation for importers' losses, totaling more than 3.4 million yuan. Among these cases, about 2.37 million yuan of compensation was necessitated by the irresponsibility of the foreign economic relations and trade department. In addition, there were about 60 to 70 cases of mismanagement each year when dealing with foreign trade. They included mistakenly delivering and transporting goods, miscalculation, and erroneous payment for goods. Though some foreign businessmen neither pay for nor take delivery of the imported goods for more than 700 days, the companies concerned do not even take action to press them for payment. Eventually, the goods are put up at auction by the customhouse of the country where the goods are located. In May 1979, a former foreign trade company imported 100 electronic calculators. But it did not take delivery of the goods at the Zhengzhou railway station for 3 years. The goods were consequently lost. The leadership of the company neither investigated nor inquired about the matter but arbitrarily wrote it off as property losses in the 1981 budget.

Since 1980, the staff of the department and its subordinate units have gone overseas, and to Hong Kong and Macao more than 200 times. In most cases, they brought back with them color television sets, radios, cassette recorders, refrigerators, cameras, washing machines, and watches. The sources of foreign exchange for many of them are illegal. Some of them engage in bribery, arbitrage and smuggling, and in deceiving customs officers. Some party members even go so far as to ask for or hint for gifts from foreign businessmen, causing the loss of the state's and their own dignity.

As the Henan Provincial Foreign Economic Relations and Trade Department was a "disaster area" during the 10 years of internal disorder, it is comparatively profoundly influenced by factional activities.



The problem of appointing people by favoritism and choosing the wrong person for the job is very serious in the department. Some people who had serious problems during the "Cultural Revolution," and who committed crimes and mistakes have been put in important posts.

Starting from the investigation of economic problems the work team has mobilized the masses to thoroughly expose these people. The team has firmly grasped and thoroughly investigated not only the operational problems which have been strongly complained about by the masses and which have caused the greatest harm to the state, but also the people concerned and relevant cases. With the participation of financial and commercial inspection units, and banks who have sent staff to investigate, the team has improved the quality in handling the cases. It has also asked the provincial CPC Committee Organization Department to join in the work, so that it can check the new leading group of the economic department in structural reform, and promptly dismiss those incompetent and problem cadres. In the meantime, the work team has also promoted the best and most specialized cadres to important posts in the process of investigation and party rectification. The work team actively plays the role of directing, assisting, supervising, and inspecting. On the one hand, it relies on the foreign economic relations and trade department and its subordinate units' cadres and masses in solving their own problems; and, on the other, it encourages and supports the department's party group to actively carry out self-examination and simultaneous rectification and correction of defects, and to boost its business.

At present, the foreign economic relations and trade department has created a new atmosphere in various tasks.

-- The department is actively pressing overseas buyers for overdue payment of goods. As of 10 March, it has recovered about 6 million yuan of payment, accounting for 60 percent of the due payment.

-- The department is conscientiously consolidating both discipline and reception work in handling foreign affairs. It is reaffirming the discipline in handling foreign affairs in a formal and written form, organizing personnel in charge of the affairs to study the relevant documents, and asking customs officers to give lectures on regulations and relevant policies on immigration.

-- The department is curbing the malpractices of giving bonuses and gifts arbitrarily, and of "securing advantages through pull or influence." In addition to thoroughly investigating the violation of financial discipline in the past on a full scale, the department's party group clearly stipulates that such cases of violation will be strictly dealt with in the future.

-- The department is working out plans for reorganization, and grasping well the tasks of the year. At present, all subordinate companies have formulated plans for enterprise consolidation. Some of them have even worked out systems for making arrangements, deciding on export prices, and examining the quality of imported goods. The whole department has established and perfected systems in production, purchasing, import, export, and transportation links. Also, it has initiated implementation of the responsibility system. As at the end of February, under the prerequisite of attaching great importance to economic results, the department has fulfilled 22.15 percent of this year's export quota, an increase of 50.7 percent when compared with the same period last year. Furthermore, this year the department plans to support various kinds of commodity production in the province, in order to implement the principle of serving industrial and agricultural production with foreign trade.

After 3 months' work, the foreign economic relations and trade department has made a good start both in investigating the economic problems and in party rectification work. But the arduous tasks are yet to come, and there is still resistance. Some people who have problems still adopt an unhealthy attitude toward the work, while some do not report what they know. The work team and the department's party group are determinedly grasping the work firmly and thoroughly carrying out investigation. They urge all party members to gain experience from this struggle, and hope that party members and cadres who committed mistakes will quickly realize their problems; and that the party members and cadres who committed general economic mistakes will conscientiously carry out self-criticism and earnestly correct their defects.

#### HUBEI ARMY-PEOPLE SOLIDARITY GATHERING OPENS

HK080704 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 7 Apr 84

[Excerpts] The Hubei Provincial and Wuhan PLA units congress of progressive collectives and individuals in supporting the army and giving preferential treatment to its dependents and supporting the government and cherishing the people solemnly opened in the Hongshan Hall, Wuchang, this morning. Hubei Military District Political Commissar Zhou Huanzhong presided at the opening ceremony. Provincial CPC Committee Deputy Secretary and Governor Huang Zhizhen delivered the opening speech. Wuhan PLA Deputy Political Commissar Ren Rong made a speech.

Also present at the opening ceremony were responsible comrades of the Wuhan PLA units, the air force of the Wuhan PLA units, Henan Military District, and military training units, academies, and schools in Hubei (Hou Runtao), Wang Chun, Wu Jiyuan, Kang Xinghuo, Ma Ming, (Jiang Xianchen), (Xu Bangsui), (Wang Junyi), (Zhang Kangjie), (Zhang Xiangge), (Xin Decheng), (Wang Changfu), and (Liu Jun); and leading comrades of the party, government, and army in Hubei Shen Yinluo, Wang Qun, Han Ningfu, Tian Ying, Li Jun, Wang Ruisheng, Li Fuquan, Lin Musen, Wang Hanzhang, Wang Libin, (Xiao Zuolin), Xu Jinbiao, (Bao Yunlan), and (Zhang Xueqi).

SICHUAN TRADE CENTER ESTABLISHED IN CHONGQING

HK090303 Chengdu SICHUAN RIBAO in Chinese 22 Mar 84 p 1

[Commentator's article: "Have the Courage To Blaze a New Trail"]

[Text] Like the blowing of the spring breeze, Chongqing City's comprehensive reform of its economic system, the Chongqing industrial products trade center has come into existence. Although it has been open for only two months, it displays a strong vitality. Not long ago, after inspecting this trade center, Premier Zhao Ziyang was interested and said: This is an excellent way of promoting commodity circulation. In the future, with the increasingly abundant supply of commodities we should popularize in a planned and step-by-step manner this way of promoting commodity circulation and gradually use it to replace the outmoded way of distributing industrial consumer goods according to the division of administrative regions.

For a long time, there was too much centralization in our commodity circulation system and it has been too rigidly controlled. That situation was based on the fact that commodity production was not developed. It played an important part in ensuring supply and in stabilizing the market and prices. However, with the sustained development of industrial and agricultural production, the original circulation system has become extremely ill-adapted. In recent years, many new situations and new trends have emerged in the rural and urban markets.

Take industrial consumer goods as an example; in the past, the supply of many commodities fell short of demand; they were like "the daughters of an emperor who have no difficulty in finding themselves husbands." But now, demand and supply are becoming more and more balanced. Sometimes, there is even a problem of the overstocking or unmarketability of goods. At the same time, with the rise in people's living standard, the consumers who, in the past, "rushed to buy goods with their money," now "keep their money and wait for better goods." They are now more particular about the variety and quality of commodities and they have become more choosy. Changes are also taking place in the sphere of circulation. The monopoly of state-run commercial enterprises has come to an end and many economic forms, many circulation channels, and many ways of running business have emerged. In addition, competition has also begun in the markets. Confronted with these new situations, how are we going to do commercial work? By being determined to carry our reforms and having the courage to explore new ways or by sticking to the conventions and the old ways of doing things? It seems it is quite impossible to retake the old road of maintaining monopoly by administrative means. The way out lies in reforms and in opening up new paths. The establishment of the Chongqing industrial products trade center has paved a new way for the further reform of the commodity circulation system. Commercial departments throughout our province should learn from their innovative spirit and their spirit for conforming to the trend of the times and of boldly putting things into practice.

The establishment of the Chongqing industrial products trade center is a good way by which the state-run enterprises actively participate in market regulation. It constitutes a constructive attempt to reform the commercial wholesale system. For many years, our industrial consumer goods had to go through the grade one, grade two, and grade three stations (companies at county level) before they could reach the retailers. Wholesale enterprises at various levels were instituted according to the division of administrative regions. The commodities were distributed at each level. Consequently, buying and selling were restricted and the circulation of commodities was hindered. The industrial products trade center has completely put an end to the old way of distributing commodities at each level according to the division of administrative regions. All parts of the province and all people are welcome to choose the commodities. Thus, it is well received by all. In fact, there exists a most economical and most rational path leading from the origin of the commodities to where they are sold.



The completion of the process of the movement of commodities from production to consumption through the most rational path and the smallest number of links in the shortest time according to the rational direction of the flow of commodities, is a most important principle in persisting in the reform of the circulation channels by increasing the number of channels while cutting the number of links. Commercial departments at all levels should, for the purpose of facilitating the expansion of commodity circulation, break down the barriers between various administrative regions, build networks according to economic regions, and organize commodity circulation according to the rational direction of the flow of commodities. With the exception of a few commodities which are of vital importance to the national economy and the people's livelihood and are thus required by the planned economy to be distributed according to plan, the sales units can freely choose and buy whatever varieties, models, designs, and quantity of all other commodities from wherever they are produced, providing they choose and buy them on the basis of economic reckoning and the flow of commodities.

The Chongqing industrial products trade center is open to everyone. All stations (or departments) at various levels, collective commercial enterprises, or individual commercial enterprises can directly go there to make deals. This flexible way of doing business should be commended. In dredging the circulation channels, we are increasing the number of channels and cut the number of links in order to make a considerable amount of industrial products directly and speedily available to the rural areas and the consumers. If the backbone wholesale enterprises in the large and medium-size cities are open to all, if both large and small enterprises are welcome to hold business talks with them, and if peddlers from the rural and urban areas, the neighboring counties, and the neighboring provinces are welcome to choose and buy commodities, the lively situation of "booming business and large incomes" will certainly emerge. In this way, the needs of different places and buyers can be met. In addition, goods can be kept in stock for a shorter time and the economic results of commerce can improve. At the same time, we can promptly find out the changes in markets and demand and provide factories with information. To be sure, the trade center is newly established and is still at an experimental stage. It is like other new things in that its emergence will bring about all sorts of problems. This is inevitable. What is important is that we should, like a loving mother who takes good care of her newly born baby, help this new-born grow sturdily, support it, and help it play a more important role in commodity circulation.

#### SICHUAN RIBAO ON CHENGDU PLA INTELLECTUAL POLICY

HK090448 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 8 Apr 84

[Text] According to SICHUAN RIBAO, while carrying out party rectification studies, the CPC Committee of the Chengdu PLA Logistics Department has further implemented the policies on intellectuals. The committee recently promoted boldly a number of intellectuals to leading posts, 27 of whom have now taken up duties in regiments, accounting for 54 percent of newly-promoted regimental cadres.

The Logistics Department of the Chengdu PLA units has a total of 1,700 intellectuals who have graduated from universities and colleges. In recent years the CPC Committee has sent work groups on more than 20 occasions to check on the implementation of policies on intellectuals in 27 units. The groups have solved the problem of separation of husband and wife for over 300 persons, readjusted housing conditions for nearly 500 households, and promoted 289 persons to leading posts in divisions and regiments. Intellectuals now account for over one-third of the members of divisional and regimental leadership groups. In one case they account for 70 percent of the members of the group.

While carrying out party rectification, the CPC Committee has seriously examined the implementation of policies on intellectuals in the past. The committee realized that although more importance had been attached to employing intellectuals than previously, they had not yet been fully employed. Having found out the shortcomings, the committee spontaneously set to work to solve the problems.

During the current selection and assignment of leadership groups, the committee has laid stress on promoting and employing intellectuals. It has conducted examinations for intellectuals over whom there were disputes. It has acted decisively in promoting them on the basis of conducting investigations, distinguishing between the main current and the side issues, affirming their strong points, pointing out their weakness, and letting them know the hopes placed in them. It has also rapidly promoted intellectuals previously held to be too young and thought to need further steeling. The committee has also broken down the old convention that intellectuals could only hold deputy posts, and has boldly allowed them to function as leaders and to shoulder heavy burdens.

#### XIZANG'S YIN FATANG MEETS REGIONAL CPPCC LEADERS

HK090348 Lhasa Xizang Regional Service in Mandarin 1130 GMT 8 Apr 84

[Excerpts] On the afternoon of 7 April, responsible comrades of the regional CPC Committee received Standing Committee members of the regional CPPCC who are in Lhasa and the chairman and vice chairmen of the city CPPCC Committee, to convey the spirit of the forum on work in Xizang convened by the CPC Central Committee Secretariat. Yin Fatang, Redi, Duojiecaiden, Ba Sang, Song Ziyuan, Cao Xu, Jiangcun Luobu, Li Wenshan, Dan Zeng, and Hu Songjie, responsible comrades of the regional CPC Committee, attended the meeting.

Regional CPC Committee First Secretary Yin Fatang expressed the hope that the patriotic figures of all nationalities would continue to display the spirit of patriotism and work together to make new contributions to building a united, affluent, and civilized new Xizang.

BELJING NEEDS TRAFFIC, CONSTRUCTION LAWS

OW092037 Beijing XINHUA in English 1500 GMT 9 Apr 84

[Text] Beijing, April 9 (XINHUA) -- A comprehensive system of codes is needed to coordinate traffic control, housing and road construction, environmental protection and other urban improvement projects, suggests 58-year-old Liang Fanchu, vice-chairman of the Urban Construction Committee of the municipal People's Congress Standing Committee.

This is one of 48 motions raised at the second session of the eighth municipal People's Congress, which closed here today. 13 are concerned with Beijing's traffic and urban construction.

Liang has been engaged in city planning since 1955. His proposed code system covers city planning, urban construction and management, use of land, housing and basic facilities, and fire and earthquake precautions.

According to a police transport office, he says, the number of traffic accidents and the number of people killed or injured for each 10,000 motor vehicles last year dropped 18.4 percent and 22.7 percent respectively as compared with 1982, adding that traffic safety in the city continues to improve this year.

Speaking of urban management legislation, Liang says that Beijing has since 1979 issued such regulations on urban traffic control, environmental protection and hygiene, urban tree-planting, and removal of old houses and resettlement of their residence to make way for urban construction.

Stress on urban construction to the neglect of management has been a major problem in the city's urban development, he says.

SHANXI RIBAO ARTICLE ON FACTIONALIST DEVELOPMENT

SK100017 Taiyuan SHANXI RIBAO in Chinese 20 Mar 84 p 4

[Article by Si Tuma from the "Observation and Study" column: "Attention Should Be Paid to the New Development of Bourgeois Factionalism"]

[Text] Since the work conference sponsored by the Shanxi Provincial CPC Committee in January 1981 after the 3d Plenary Session of the 11th CPC Central Committee, the bourgeois factionalism raised by Lin Biao and the "gang of four" throughout the province during the "Great Cultural Revolution" has been opposed by the vast number of the people. Generally speaking, it has been overcome on a large scale. However, factionalism has not been totally eliminated. Some departments and units still indulge in fairly serious factionalism and even unfold a new development. It is undoubtedly quite necessary to pay attention to studying the new development, to correctly discern the existence of the factionalism and the status quo of development, and to weed out factionalism by adopting measures aimed at a specific situation.

According to our investigation data, the new development of bourgeois factionalism can be generally explained as based on the disputes of personal grievances left over from the past and of new and practical personal interests and as interdependent with the malpractice of seeking private gains by taking advantage of power.

Of course, the factionalist organizations set up during the "Great Cultural Revolution" disappeared long ago. The viewpoints on arguments adopted by both sides in that time also have no practical significance at present, and have left only a large scar forming a knotty personal grievance among some persons.



During the 10-year turmoil and after the "broadened investigation," some persons across the province felt very close to them due to their same viewpoints and even became "friends in life and death." Some became estranged from them due to their difference in viewpoints and even became "irreconcilable enemies." The existence of such a situation, which cannot be totally eliminated within a short period, is obvious, particularly among those units that have not had large personnel changes over the past many years.

At present, the relationship in which personal grievance remains has been aggravated by the disputes of personal interests. Owing to the continuance of incorrect party style, some persons have not followed principle in order to solve their personal problems, (such as housing distribution, job arrangements for children, job and post promotions, party member application, and the question of "weeding out people of the three categories"), and they have even looked for their close "Great Cultural Revolution" friends in power to be their "spokesmen." They have also supported promotions for their close friends in order to take shelter under them. A few persons with personal ambitions have publicly or secretly posed as the "spokesmen" of a number of the people and have won over other gangs to set up a faction, so that they can take the faction as a "mass foundation" in seizing power and obtaining interests by haggling with the party.

What is noteworthy is the following: The former factional leaders who are fully aware that they cannot appear personally at present have "supported" certain persons, to be promoted into a leading post by secretly making use of the factionalist feeling of some people in order to enable the person to be their "spokesman" and in order to fulfill their purpose of protecting themselves by pulling strings behind the scenes. Some leading cadres have not upheld the principle in protecting or getting in close touch with the leaders of certain former factions and factional organizations in order to extend appreciation for taking shelter under these leaders during the "Great Cultural Revolution." Activated by impure motives, these leading cadres have been regarded the leaders as the "mass foundation" of wielding power and have consciously or unconsciously posed as "spokesmen" for these leaders.

Generally speaking, when the old relationship of personal grievance is contradictory to the new one of personal disputes on interests, the former often yields to the latter, thus, resulting in the prevalence of the phenomenon that looks strange but is not strange in actuality -- the former "opponents" have become "comrades-in-arms," and vice versa. Of course, a large number of persons who do not need others' help have become distant from factionalism and have even forgotten it totally. This means that a new combination has emerged in following the needs of solving the disputes of personal interests along with the relationship of personal grievance left in the past. Therefore, though a number of units that still indulge in serious factionalism continue to use the titles of certain factions, a new change of personnel contingent has taken shape to a certain extent and on a large scale.

Since the current factionalism is established on the basis of mutual disputes on personal grudges and interests, therefore, the focus of factional struggle is aimed at "power." Different situations are emerging in various units with serious factionalism. The leading bodies of some units have "spokesmen" of both sides who are trying to bring each other down and who are scrambling for fame and gain. In some units, the "spokesmen" of one side are in office while the other are not. They are suppressing and opposing each other. While reorganizing the new leading bodies, they even have two absolutely different views of the nominated candidates. One side tries its utmost to "support" the elections while the other side tries every possible means to pull the rug out from under them.

They intend to elect their own "spokesmen" and to drive out of office the "spokesmen" of their counterpart. This struggle even involves in such unscrupulous means as turning things upside down, creating rumors, and viciously framing someone.

Summing up the above, we can see that the foundation for the continued existence of the current bourgeois factionalism is personal "interests and grudges," that its essence is bourgeois ultraindividualism and anarchism, and that its focus of struggle is "power." The current unhealthy tendencies such as abusing one's power to seek personal gains are the good soil on which factionalism can grow continuously.

It is inevitable that units involved in serious factional struggle will let the unhealthy tendency of abusing power to seek personal gains run rampant. These units even ignore the implementation of the party's line, principles, and policies but also resist and sabotage them, thus, creating confusion in various quarters. The impure party style and the conditions for the mutual coexistence of factionalism form a vicious circle. This is the main reason for the difficult eradication of bourgeois factionalism. Like grass, it "cannot be burned out by a prairie fire."

As mentioned above, to eradicate bourgeois factionalism we have to pay particular attention to the following points:

1. We should understand the new development of bourgeois factionalism, eradicate factionalism by combining such important work as party rectification, the elimination of the "three types of persons," and the installation of leading bodies. We should do meticulous ideological work of eliminating "grudges," and adopt necessary organizational measures.
2. We should pay special attention to not allowing factional "spokesmen" into the leading bodies. The purpose of factional "spokesmen," regardless of which side they are on, is aimed at abusing power to seek personal gains. Therefore, they will not correctly implement the party's line, principles, and policies.

Each and every one of our leading cadres should also enhance his vigilance and guard against those factious persons assuming the posts of factional "spokesmen" by means of "supporting" and "pulling the rug." Leading party cadres only represent the interests of the proletarians, the people, the party and the state and they should struggle resolutely to safeguard these interests. On no account should they abuse their power and positions to seek personal gains for themselves and for their gangs, and should they serve as factional "spokesmen."

3. We should note that the broad masses of people are victims of factionalism. Fundamentally speaking, they hate it bitterly. Meanwhile, some persons, despite their hatred for factionalism, have to seek help from it. Though they are not willing to do so, they have to do it for the time being. Some persons still cling to factionalism, which, after all, is a blind action. They can free themselves from the blindness of factionalism through strenuous efforts. We believe that even units with serious factionalism can unify with the broad masses of people to eradicate bourgeois factionalism so long as they have a strong leading body, adhere to principle in doing everything, analyze specific things and persons in a concrete way, strive to eliminate one-sidedness, have no prejudice, correctly treat the masses, and win the confidence of the masses gradually.

#### SHANXI SETS FORTH DISCIPLINE INSPECTION TASKS

SK100832 Taiyuan SHANXI RIBAO in Chinese 30 Mar 84 pp 1, 3

[Text] The provincial Discipline Inspection Commission held a work conference in Yuncheng from 24 to 29 March.

Zhu Weihua, first secretary of the provincial Discipline Inspection Commission, spoke at the conference. He affirmed the province's discipline inspection work achievements scored in 1983 and then emphasized: With the help of the Central Discipline Inspection Commission and the work group of the provincial CPC Committee, Yuncheng Prefecture created a successful experience of "investigating cases, attending to party style, and consolidating leading bodies," which has attracted attention and has been widely popularized in various localities and which has greatly promoted the province-wide party style rectification work. However, a situation in which the whole party pays attention to party style has not taken shape in the province. Such unhealthy trends as abusing power to seek personal gains, bureaucracy, and decentralism are still very serious. Passive and flabby attitudes in the discipline inspection work of many localities and units remain a prominent problem which discipline inspection commissions at all levels should now solve and which is not compatible with the current demands on the discipline inspection work. All these problems call for our continuous efforts to solve them.

Comrade Zhu Weihua pointed out that the task for 1984 is that the whole party should step up its work in the course of party rectification so as to improve party style remarkably this year. For this purpose, all CPC committees and discipline inspection commissions throughout the province should pay close attention to the following five jobs. First, it is necessary to unswervingly safeguard the party's political discipline, that is, to uphold the four basic principles, to adhere to the party's line, principles, and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee. Second, it is necessary to stop unhealthy trends resolutely, such as abuse of power to seek personal gains, bureaucracy, and decentralism, and it is necessary to investigate and handle typical cases. Third, it is necessary to continue the struggle to deal blows to serious criminal activities in the economic field with the emphasis on investigation and handling of major and appalling cases, especially new big and appalling cases, and to make a breakthrough in intact areas. Fourth, it is necessary to enforce party discipline strictly, to intensify the education of party members on party spirit, party style, and party discipline, to handle discipline violations, boldly and to mete out severe punishments according to the nature and offenses of the violations. In the meantime, discipline violations cases of party organizations should be investigated and handled and the viewpoint that a party organization will not be held accountable for a decision, even if it is wrong, which is collectively made and for which leaders are responsible. Party organizations which commit serious dereliction and violate law and discipline and which are unable to correct their own mistakes should be reorganized or disbanded if necessary. Fifth, it is necessary to strengthen leadership and the whole party should pay attention to party style so that all CPC committees will attach importance to it and leaders will take the lead in improving it.

Liu Songqing, deputy secretary of the provincial Discipline Inspection Commission, emphasized in his speech: CPC committees and discipline inspection commissions at all levels should conscientiously popularize Yuncheng Prefecture's experience in improving party style and should successfully investigate and handle the typical cases. All party organizations should also hold meetings on democratic life and enhance party spirit and improve party style through criticism and self-criticism.



JILIN KMT REVOLUTIONARY COMMITTEE CONGRESS OPENS

SK0902235 Changchun Jilin Provincial Service in Mandarin 1030 GMT 7 Apr 84

[Excerpts] The Fifth Congress of the Jilin Provincial Revolutionary Committee of the Kuomintang opened in Changchun this afternoon. Some 80 representatives from the KMT revolutionary organizations at all levels across the province attended the congress.

The main tasks of this congress are to deeply implement the spirit of the 6th National Congress of the Revolutionary Committee of the KMT under the guidance of the 12th party congress, to sum up the work achievements of our province's KMT revolutionary committees over the past few years, to formulate the main tasks for the next 5 years, to get united, to adapt to the current situation, to strive to advance forward, and to make new contributions to the four modernizations and the unification of the motherland.

The opening ceremony was presided over by Geng Yuelun, chairman of the provincial revolutionary committee of the KMT. (Xing Shaopeng), vice chairman of the provincial revolutionary committee of the KMT, gave an opening address. Comrade Zhang Gensheng, secretary of the Jilin Provincial CPC Committee, gave a speech. He extended warm greetings to the congress on behalf of the Jilin Provincial CPC Committee.

Geng Yuelun made a work report on behalf of the last congress entitled "Adapt to the Situation, Advance Forward, and Make New Contributions to the Four Modernizations and the Unification of the Motherland."

Also invited to the opening ceremony were leading comrades of the provincial Advisory Commission, the provincial People's Congress Standing Committee, the provincial government, the provincial CPPCC Committee, and the United Front Department of the provincial CPC Committee, including Song Jiehan, Wang Jiren, Gao Dezhan, Zhang Fengqi, and Xin Cheng, responsible persons of various democratic parties and the Federation of Industry and Commerce, including Cheng Shengsan, Guan Mengjue, Miao Zhuxian, Cai Qiyun, (Zhu Xunheng), and (Xiao Wei), and responsible comrades of relevant departments.

JILIN RECOUNTS LESSON IN PARTY RECTIFICATION

SK040920 Changchun Jilin Provincial Service in Mandarin 2200 GMT 3 Apr 84

[Text] By seeking private gains in taking advantage of its power, the Jilin Provincial Metallurgical Industrial General Company has again committed malpractices in the course of party rectification. In March this year, the company illegally retained and distributed the name-brand bicycles that are used as awards to advanced production units and individuals. The leadership of the provincial CPC Committee instructed the company authorities to withdraw all distributed bicycles and to find out who was involved in the case.

As for this case, the guidance group in charge of party rectification under the provincial CPC Committee pointed out: The case in which the leaders of the provincial metallurgical industrial general company committed evil by illegally retaining and distributing the name-brand bicycles in the party rectification drive, ignoring organizational discipline, has shown that the work of consolidating workstyle and correcting the malpractice of seeking private gains by taking advantage of power and the bureaucracy of not being responsible for work is the important task of party rectification. Work in this regard is by no means a small matter.

The CPC Central Committee and the provincial CPC Committee have repeatedly stressed that efforts should be made to conduct transformation in the course of party rectification or to conduct transformation before the launching of the party rectification drive.

Though injunctions have been repeatedly issued in this regard, a certain number of party member cadres still stick to their old way of doing things. They have continuously brought damage to party style; to the tie between the party and the masses; to the implementation of the party's line, principles and policies; and to the fulfillment of the party's general task and target. All of this cannot be tolerated by party discipline.

Whether or not the leading bodies and leading party-member cadres at all levels dare to tackle knotty problems cropping up in correcting malpractices is a test imposed on them by this new historic period. The departments, commissions, and bureaus of the provincial level organs -- whether or not they have begun with the party rectification drive -- should arouse and organize all party members to carry out examination by drawing a lesson from the case of the provincial metallurgical industrial general company. They should find out and immediately deal with the existing problems while carrying out examination and should develop in depth the work of conducting transformation in the course of party rectification.

#### JILIN CIRCULAR ISSUED ON ADVANCED PARTY UNITS

SK090515 Changchun Jilin Provincial Service in Mandarin 2200 GMT 7 Apr 84

[Text] Recently the Jilin Provincial CPC Committee issued a circular on widely launching activity to set up advanced party branches and party groups and on trying to be excellent party members.

The circular notes: From now on, we should choose through public appraisal and commend advanced party branches, party groups, and excellent communist party members across the province. This is a measure for strengthening the construction of the party, for fully carrying out the functions of grassroots party organizations as a fighting force and of the exemplary vanguard role of party members, for strengthening and improving the leadership of the party, and for upgrading the fighting force of the party. This also is an organizational guarantee for comprehensively implementing the lines, principle, and policy of the party, ceaselessly creating a new situation in the work of all fronts and promoting the smooth development of the two civilizations. This is also an important measure for conducting party rectification well, for consolidating the achievements in party rectification, for strengthening ideological education, and for making good preparations for party rectification.

The essential conditions for advanced party branches and party groups are as follows:

1. Firmly implement the lines, principles, and policy of the party, take the lead in creating a new situation at their units and departments, and make marked and outstanding achievements in the work. We must choose advanced party branches and party groups from advanced units and departments emerging in the course of building the two civilizations.
2. Party branches and party groups must have a powerful fighting force. Party organizations must be brave in resolutely waging the struggle against various unhealthy tendencies and resisting unhealthy practices. Advanced ones must have correct party spirit and good public practice and enjoy the sincere support of the personages in and outside the party.
3. The advanced ones must maintain the healthy practice of democracy, hold the three meetings and one class regularly and systematically, and criticize and self-criticize often. They should actively conduct ideological and political work.
4. We should enthusiastically and earnestly recruit new party members.

Special priority must be given in training and recruiting into the party young men and intellectuals who enthusiastically support and will resolutely implement the principles and policy of the party and who will make outstanding contributions to the four modernizations so as to change the age and education structure of the ranks of party members.

The essential conditions for excellent Communist Party members are as follows:

1. Emanicipate the mind, play an exemplary role in implementing the lines, principles, and policies set forth since the 3d plenum of the 11th party Central Committee, be brave in conducting reforms, and make outstanding achievements in and great contributions to production and work.
2. Play an exemplary role in abiding by the party discipline and state law, wholeheartedly serve the people, never take advantage of functions to seek private gains, bravely resist unhealthy practices, and wage a struggle against unhealthy trends, evildoers, and evil deeds.
3. Maintain close ties with the masses, always show concern about the weal and woe of the people, help the masses solve difficulties, be a close friend of the people, and enjoy the support of the people.
4. Make efforts to study, research, and master modern scientific and educational knowledge and serve the four modernizations.

#### LIAONING REORGANIZES COUNTY, CITY LEADING BODIES

SK060506 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 5 Apr 84

[Text] In line with the arrangements of the CPC Central Committee and the provincial CPC Committee, reorganization of all leading bodies in 48 counties and cities across the province has already been completed. Members of newly-organized leading bodies have become more revolutionary, younger, better educated, and professionally more competent. The number of party and government leading members in these 48 counties and cities has been reduced to 556, 96 fewer than the original figure. The average age has dropped from the original 49.2 to 43.9, ranging from 55 to 26. Among these 556 leading members, 227 or 49 percent have received a university education, and 148 or 26 percent have professional or technical titles.

While reorganizing and staffing new leading bodies, various localities have generally paid attention to selecting competent persons from various spheres who have a good grasp of professional knowledge and party affairs, have properly solved problems in cooperation between old and new cadres and in the succession of the new to the old, and have concentrated on selecting a certain number of female cadres, nonparty cadres, and minority nationality cadres.

In the current reorganization of party and government leading bodies at the county or city level, efforts have been made to follow the mass line, to change the past way of selecting cadres only from party and government organizations, to open up the road of selecting competent persons from various trades and professions, to correct the prejudice against intellectuals and discrimination against knowledge, and to select and promote a large number of excellent young and middle-aged intellectuals to leading bodies.

In reorganizing their leading bodies, all localities have made strict checks and conducted comprehensive examinations among members of leading bodies and, particularly, among young cadres. As a result, they have strengthened their political awareness and devotion to the revolutionary cause and have become more competent in leading the masses in creating a new situation in socialist modernization.



TAIWAN BASKETBALL TEAMS RETURN FROM SEOUL

OW100321 Taipei CNA in English 0234 GMT 10 Apr 84

[Text] Taipei, April 10 (CNA) -- Having withdrawn from the Eighth Asian Junior Basketball Championships being held in Seoul, the Republic of China's delegation returned to Taipei Monday evening. Shuolen Shaw, leader of the ROC's men's and women's basketball teams, said upon arrival that the ROC delegation decided to withdraw from the competitions because the dignity of the nation should prevail and the Chinese players should never play the games under unfair treatment. He said that the action in protest taken by the ROC delegation had impressed the Korean political and sports circles. About 20 Korean political figures and sports promoters had expressed their regrets over the incident.

Shaw told the press that he had talked with Yi Pyong-hui, president of the Asian Basketball Conference, regarding the details of the competitions immediately after his arrival in Seoul on April 5, and the two parties reached agreement. The unfair treatment the ROC delegation suffered at the opening ceremony caught the ROC delegates by surprise, and obviously the sponsor of the event had bent to pressure from the Chinese communists.

In the meantime, Peng Chi, secretary general of the Basketball Association of the Republic of China, announced Monday that the association will sponsor a youth basketball tournament in Taipei April 20-25 and youth basketball teams of Asian countries, except those of communist nations and the Korean teams, will all be invited to take part in the event here. The association is contacting youth teams of Japan, the Philippines, Malaysia, and Singapore who are now playing in the Asian tournament in Seoul. The four teams mentioned above have initially accepted the invitation to come to Taipei for the basketball event.

EDITORIAL DENOUNCES 'FREEZE-OUT' IN SEOUL

OW091013 Taipei CNA in English 0934 GMT 9 Apr 84

[Text] Taipei, April 9 (CNA) -- Following is an editorial carried in today's CHINA NEWS on "The Freeze-out at Seoul."

This country has formal relations with the Republic of Korea. Both countries are anti-communist. We have been good friends for a long time. Had it not been for the hesitation of the United States, the ROC would probably have been one of the UN allies fighting North Korea and the Chinese Communists in the Korean war. Recently, however, the Koreans have been regarding the Chinese Communists, with whom they have no diplomatic relations, with special favor. Freedom fighters who flew a Red Chinese plane to freedom have not yet been released to the Republic of China, as is their wish. Visas have been given to Koreans for travel to mainland China. The Red Chinese have proposed that Koreans be allowed to visit relatives on the mainland. There has been talk of trade.

Now worse has come to the worst in Seoul at the 8th Asian Youth Basketball Championships. Both the Republic of China and Red China were among the participants. Free Chinese players were allowed to go to Seoul in accord with Korean agreement that flags other than that of the host country would not be flown at the games. But obviously for political reasons, the Chinese Communists pressed strongly for the flying of flags at the opening and closing ceremonies.

The Koreans caved in and broke their promise. Chinese Communists paraded into the stadium with their flag at the head of the procession. The Republic of China was denied the same right. Under the circumstances, the Free Chinese were compelled to withdraw from the competition under protest.

Why did free Koreans who are so desperately threatened by the North Korean Communists surrender to the Chinese Communists who are guilty of killing hundreds of thousands of Korean people? Rather obviously, Seoul believes that Red China can be won over and transformed into an opponent of Pyongyang. This is a virtual impossibility, considering Red China's hostility toward the Soviet Union. The Chinese and Russian Communists have been rivals for the friendship of North Korea. Peking is not going to exchange Pyongyang for Seoul in a thousand years. This involves not only Red Chinese feeling against that Soviet Union but the possibility of renewed hostilities with the United States.

The game that the Chinese Communists are playing with South Korea is aimed at the Republic of China. They want to destroy Free Chinese-free Korean friendship. Unfortunately, they are succeeding all too well, as indicated by their driving the Republic of China out of the basketball tournament. The ROC had already made one concession in going to the competition as "Chinese Taipei."

What are the implications for the Olympic Games coming up soon in Los Angeles? Let's make no mistake about it, the Chinese Communists will use every trick and every conspiracy not only to destroy relations between the ROC and the Free World but to put up a pretense that Free China does not exist. For the Koreans to be deceived is against their own best interests. This is a country that is going to host the Asian Games and the Olympic Games soon. How is it going to act with regard to problems that will arise concerning several of the participants in those competitions? Not only has politics been mixed with sports once again, but a Free World country we have trusted has gone back on its word.

How are anti-communist Koreans to regard the sight of the red flag of those who killed so many of their people? What are they to think of the exclusion of the Republic of China, which has always stood behind a united free Korea? Is communist respectable in the Republic of Korea now? Would the ROK Government allow its people to endorse communist positions? Does Seoul believe that Peking would not support North Korea in another invasion of the south?

We must ask, too, what kind of an impression this makes on the young athletes of so many Asian countries that are competing at Seoul? North Korea is not present. All but one participant -- Red China -- comes from free Asia. What do the young free Asians think of the exclusion of the free Chinese who wanted to play? And especially, what do they think about allowing the Red Chinese to play at the cost of throwing out the Free Chinese in violation of a promise solemnly given?

This is more than some missed basketball games. It is a violation of truth and freedom and a favoring of communism in preference to those who stand for liberty. It is a profanation of sportsmanship with politics in a way that is bound to give these young people a wrong impression. This is a most unfortunate occurrence, not only for our young people, but for the causes of anti-communist and Korean-Free Chinese friendship. We can only hope that the potential consequences will give the Korean Government and people pause and occasion to remember that a promise is a promise and a broken one is destructive of trust. All the basketball tournaments in the world are not worth the solidarity of the anti-communist partnership between Korea and the Republic of China.

EDITORIAL ON U.S. ARMS SALES TO ROC, MAINLAND

OW081233 Taipei TZU LI WAN PAO in Chinese 2 Apr 84 p 1

[Editorial: "U.S. Measures Toward Both Sides of Taiwan Strait Before Reagan's Peiping Visit"]

[Text] Today is the second day of April. As the date of U.S. President Reagan's visit to the Chinese mainland draws nearer and nearer, people feel even more concerned about the possible development of U.S. relations with both sides of the Taiwan Strait.

President Reagan and his key aides and staff have said consistently that the United States will "make new friends but not forget old friends." The specific implications of this remark are just as U.S. Secretary of State Shultz said in a recent interview with VETERANS MONTHLY. By "not forgetting old friends," the United States means to "continue maintaining extensive commercial, cultural, and other practical contacts with the Chinese people in Taiwan." "By "making new friends" the United States means to "develop friendly relations, including routine military exchanges, with the Chinese Communists as a friendly nonaligned country." Of course the military exchange also includes some scientific and technological transfers for both military and civilian purposes. The question is: When the United States handles its relations with both sides of the Taiwan Strait in line with this principle, can its measures toward the Chinese mainland and Taiwan be parallel and not contrary to each other while they are being carried out specifically so as not to harm its relations with both sides of the strait?

Here is a case for us to examine: According to a report sent to Congress by the U.S. Department of Defense at the end of March, the United States will sell air force weapons parts and supplies worth \$87 million to the Republic of China [ROC] which will be installed on the military equipment previously sold to the ROC by the United States in order to meet the logistical needs of the ROC Air Force. According to another well-informed source in Hong Kong, the United States and the Chinese Communists have reached agreement on the sale of sophisticated weapons. At the invitation of the U.S. Department of Defense at the end of February and the beginning of March this year, four prominent figures of the puppet Ministry of National Defense of the Chinese Communists in charge of national defense science and technology and weapons purchasing visited the United States. They visited organizations that produce U.S. weapons, submitted a detailed list of sophisticated weapons which the Chinese Communists want to buy from the United States, and reached a tacit agreement with U.S. Secretary of Defense Weinberger. This is a major breakthrough in relations between the United States and the Chinese Communists before President Reagan's visit to the Chinese mainland.

If the news from the Hong Kong source is true, the Reagan administration has obviously abandoned its principle of making new friends and not forgetting old friends while taking specific measures to handle its relations with both sides of the strait. As an old friend of the United States, the ROC has repeatedly hoped to buy U.S. high-performance fighters, such as the FX, but has been rejected. What the ROC may get now is only parts worth less than \$90 million to maintain its existing Air Force weapons, while the United States has reached a quick and tacit agreement with the Chinese Communists with regard to their list of weapons to be bought from the United States. Actually, the United States has already transferred to the Chinese Communists scientific technology and equipment capable of military use.



As for the contradictions between the "17 August Communiqué" and the "Taiwan Relations Act," the United States obviously implements the former quite seriously and regards the latter, which the U.S. Congress asks the U.S. Government to responsibly and dutifully carry out, as a mere formality. May we ask: Can the weapons sold to our country by the United States fully defend Taiwan? Will the sophisticated weapons and scientific technology the United States transfers to the Chinese Communists threaten the freedom, security, and well-being of the Chinese people of Taiwan? The United States regards the Chinese Communists' desire for peace as a prerequisite for phasing out arms sales to Taiwan in implementing the "17 August Communiqué." However, as of now, except for paying lip service through united front work, have the Chinese Communists ever stated that they will give up using force against Taiwan?

At a 30 March press conference our Foreign Ministry spokesman Wang Chao-yuan said: We have always resolutely opposed Free World countries supplying the Chinese Communists with any kind of weapons or establishing any kind of cooperative military relations with the Chinese Communists. He also said: We believe that President Reagan's visit to the Chinese mainland will do no practical harm to the existing Sino-U.S. friendship.

The first part of spokesman Wang Chao-yuan's remarks represent the common wish of the 18 million Chinese people in Taiwan. However, in view of recent developments, we cannot help but feel skeptical about his other remarks. As a nonofficial newspaper, we are obliged to call for Chinese and U.S. Government authorities to give the necessary explanation and clarification with regard to the truth of the two pieces of news mentioned above and the reason for them.

#### U.S. JET FIGHTERS NEEDED TO PREVENT WORLD WAR

OW100547 Taipei CHINA POST in English 6 Apr 84 p 4

[Editorial: "To Prevent a War"]

[Text] Major General Henry Mohr (Ret) is an astute observer of the Republic of China and its role in the Pacific. He writes: "Unless the United States wants to belatedly engage in trying to stop another war, this time in Asia, there are ominous signs that now is the time to act. The free Republic of China on Taiwan has upgraded as 'urgent' its request to the United States to sell it the more advanced fighter planes with which to defend itself."

The balance of power in Asia has been shifting to the Communists. Communist China has developed a new fighter plane, comparable to the Soviet MIG-23, which threatens to give Red China air superiority which would enable Peking to attack Taiwan. General Mohr points out that the refusal of the United States to sell advanced fighter aircraft, such as the F-16, is rapidly nearing the point at which Peking will decide the time is right to start a war in Asia. Both the United States and Soviet leaders are scurrying back and forth between Moscow and Peking, trying to squeeze all it can from the Soviets in trade and assistance.

The United States is firmly committed by the Taiwan Relations Act to provide aid to the ROC essential for its defense. The United States cherishes the fantasy that Red China would be a buffer against expanding Soviet military strength, which explains why America has been wavering on aid to Taiwan. These officials insist Taiwan does not need advanced fighter aircraft, while Communist China demands that the United States halt all sales of military equipment to Taiwan.

It is encouraging to note that U.S. President Reagan has reconfirmed that the United States will stand behind the provisions of the Taiwan Relations Act. President Reagan intends to make a state visit to the mainland this month. Red China's "premier" Chao Tzu-yang stressed the Taiwan issue is a fundamental obstacle for the improvement of relations with the United States. Mr. Reagan would be well advised to obtain a nonbiased, comprehensive briefing on the shifting balance of military power in the Far East and Southeast Asia. It could serve as a warning to be extremely cautious over committing nuclear and high technology to Peking.

General Mohr warns that caution is needed in providing assistance for the modernization of Red China's military forces. He warns that America could discover that those improved military forces might be used against Taiwan, and perhaps other territories in the Far East where vital interests of the United States are truly at stake. President Reagan's recent record in world diplomacy has been tarnished by recent developments in the Middle East. The Free World hopes he will not make the same mistakes in Asia.

ARMY PAPER CORRECTS ERRORS, READJUSTS LEADERSHIP

HK070742 Hong Kong TA KUNG PAO in Chinese 7 Apr 84 p 3

[Article by Tien Ming: "JIEFANGJUN BAO Is Correcting Malpractices"]

[Text] Chinese press circles once again are attaching importance to the problem of rectifying writing styles and opposing the malpractice of publishing reports which are inconsistent with facts.

What catches people's attention is that JIEFANGJUN BAO published a commentator's article on 20 March entitled: "While Carrying Out Party Rectification, We Should Also Rectify Writing Style," exposing and criticizing a report inconsistent with facts on the family affairs of a commander of a military subdistrict.

To date all central and local newspapers on the mainland have been run by the CPC, with the exception of the TUANJIE BAO [UNITY NEWS], which is run by the Central Committee of the Revolutionary Committee of the KMT. Therefore, it is understandable that the work of rectifying the writing style is regarded as part of party rectification work. Actually, publishing truthful reports is a rudimentary principle which all newspapers must follow.

Not long ago JIEFANGJUN BAO published a report written by an officer of the Kunming PLA units entitled "Commander Li Guozhong Succeeds in Keeping His Wife and Children in Good Order." This report described how the commander of the military subdistrict of Deqen Zang Autonomous Prefecture in Yunnan correctly treated the problems of his family and his children. After publication, readers pointed out that the report was inconsistent with the facts. This commander of the military subdistrict has a son named Li Honglong. Before graduating from junior high school, Li Honglong already had committed fraud and theft in collusion with lawless elements in society. Later he became a rogue who repeatedly committed crimes. Last November he was detained by the public security organs. Early this year he was officially arrested in accordance with the law. On the day this report was published, the son of this commander was already a criminal. The Propaganda Department of the PLA General Political Department paid close attention to this matter. It issued a special "circular," urging all units to seriously deal with unhealthy trends in news reporting, such as resorting to deception, ignoring professional morality, plagiarizing, establishing abnormal relations, getting back door benefits, and so forth. The circular also pointed out that the author of the article had made the following mistakes: first he failed to conduct in-depth investigation and study before writing the report; and second, after writing the report he "failed to verify the facts through the help of the organization." As a result, the author turned things upside down by praising in the newspaper the son of the commander who had already been brought to trial.

Actually, the vocational level of a press worker should be assessed by the most important criterion -- whether he can observe the principle of writing reports consistent with facts. It is, of course, a good thing if he can present his reports to the higher authorities for a "serious verification," and publish them on time. In particular, military units are different from other units in general. They should strictly observe discipline. It is necessary for them to check the reports and article concerned. However, if a news report in general has to be checked at each level, and is withheld by bureaucrats, it will be outdated by the time it is published.



Another very bad side effect of such a practice is that press workers feel compelled to write something pandering to the tastes of their superiors. Otherwise their reports will not be published.

For a period after the "Great Cultural Revolution," "flattering some leaders" became a common practice on the mainland. This also has been reflected in the press circles. Fulsome praise in articles and reports has affected the truthfulness of news reporting (this unhealthy trend has spread abroad). A journal on the mainland, XINWEN JIZHE [JOURNALIST], also revealed this year that a certain newspaper published an article praising a leading cadre "who has taken the lead in giving birth to only one child." Actually, this cadre is the father of six children. The above-mentioned report "Commander Li Guozhong Succeeds in Keeping His Wife and Children in Good Order" is similar in nature. Leaders who like to be flattered will undoubtedly approve the publication of such articles and reports. In the final analysis, this is a problem of party style. Just as the JIEFANGJUN BAO commentator's pointed out: "Proneness to boasting and exaggeration in news reporting is a reflection of an unhealthy party work style. Some leading comrades in our units and departments are fond of keeping up appearances. They feel proud if their deeds are reported by the newspapers. This is a malpractice of 'maintaining a high position' reflected in propaganda and news reporting." The fact that the army newspaper dares to air such a view demonstrates the spirit of seeking truth from facts.

Yu Qiuli, director of the PLA General Political Department, has personally grasped this matter. When he met with all reporters and editors of the army newspaper, he asked them to be honest persons -- honest in words and honest in writing articles. He is determined to firmly curb unhealthy trends of reporting only the good news and not the bad, and of practicing fraud and abusing power to seek private gains.

It is reported that the army newspaper has readjusted its leading body during structural reforms and that there has been a change of personnel. The remarks uttered by Yu Qiuli at this crucial time are of particular significance.

#### PRC OFFICIALS MEET TO DISCUSS HONG KONG ISSUES

HK090150 Hong Kong SOUTH CHINA MORNING POST in English 9 Apr 84 p 1

[Text] Hong Kong's democratisation is believed to have been one of the topics discussed at a high-level meeting in Peking recently. The two-part meeting was convened by Chinese Government departments and attended by Hong Kong Chinese officials. The session was held against a background in which China feels its measures towards the territory during the transitional period must be clearly set out as major questions regarding Hong Kong's status have already been settled. According to sources, the meeting was attended by top officials from China-owned organisations here. It is believed they included those from the NEW CHINA NEWS AGENCY and China Resources. One source said Chinese officials stationed in Macao also attended the meeting. The sessions are believed to have taken place after the 11th round of talks on March 26 and 27.

It is understood that among the Chinese Government officials who attended the discussions were representatives from the Foreign Ministry and the Hong Kong and Macao Office, which would explain why the discussions were held between rounds of the Sino-British talks. Members of the Chinese negotiating team are mainly from the ministry and the office. Officials from research institutes, such as the Academy of Social Sciences, are also believed to have taken part. Several renewed scholars from the institute visited Hong Kong on a fact-finding mission late last year. Chinese leaders feel Hong Kong is seeking structural changes even before 1997 and that Peking must speed up its own preparations for the changes.

VICE PREMIER LI PENG RECEIVES HONG KONG POWER CHAIRMAN

HK101100 Hong Kong WEN WEI PO in Chinese 10 Apr 84 p 1

["Special Dispatch": "Li Peng Meets Kadoorie at Shenzhen To Discuss Nuclear Power Plant Construction; Xu Jiatur Says Hong Kong Will Enjoy a New Golden Age"]

[Text] Shenzhen, 9 Apr -- Li Peng, vice premier of the State Council, met the chairman of China Light and Power Company Ltd. of Hong Kong, Lord Kadoorie, and his party here today at the Xinyuan guest house. Both parties conducted cordial and friendly talks concerning relevant problems on building the Guangdong nuclear power plant. Also taking part in the talks were Xu Jiatur, director of the Hong Kong Branch of the XINHUA NEWS AGENCY; Lin Zongtang, vice minister of the State Economic Commission; Peng Shilu, vice minister of the Ministry of Water Resources and Electric Power and general director of the construction project for the Guangdong nuclear power plant; Jin Deqin, chairman of the Bank of China; and China Light and Power Company Ltd of Hong Kong Vice Chairman Gao Deng [7559 4098], Executive Director Shi Weilian [4258 1218 1670], and Director Kadoorie, Jr.

At the beginning of the meeting Vice Premier Li Peng expressed his thanks to Mr Kadoorie for his efforts in promoting friendly cooperation between China and Britain at the advanced age of 85, and in making the special trip from Hong Kong to take part in the meeting. Vice Premier Li said: Mr Kadoorie is an old friend of China, and has persistently adopted a fine and cooperative attitude toward problems relating to the construction of the Guangdong nuclear power plant, and has made positive contributions in this respect, which enabled the project to start construction smoothly not long ago. With regard to the construction of the large nuclear power plant, the first of its kind in China, the Chinese Government is giving its full and active support. It has provided favorable conditions for its cooperation, and has given special preferential treatment to the project in many respects. The aim of China's full support is to promote the development of friendship between China and Britain and to facilitate the early completion of this project.

He pointed out: Building the Guangdong nuclear power plant is of great significance in promoting the development of industrial and agricultural production of Guangdong Province and in promoting the stability and prosperity of Hong Kong. Therefore, we hope that both sides can continue to maintain the momentum of friendly cooperation and solve through consultations all problems arising in the course of construction in accordance with the spirit of "equality and mutual benefit, and long-term cooperation," so that the project can progress without a hitch and attain brilliant success and become a model for projects funded jointly by Chinese and foreign capital.

At the meeting Director Xu Jiatur said: Hong Kong has a special status in Southeast Asia which cannot be replaced. The talks on the issue of Hong Kong have been going on comparatively smoothly, and Hong Kong has a bright future. It is certain that she will be able to enter a new golden age. The setting up of the nuclear power plant jointly run by Mr Kadoorie and China is a move of far-sightedness, which provides a fine example for some people who have lost their confidence in the future of Hong Kong.

Lord Kadoorie expressed his appreciation for the invitation extended to him by Li Peng to have the meeting in Shenzhen. After the meeting, Vice Premier Li Peng held a banquet at Yayuan in honor of Lord Kadoorie and his party.

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